



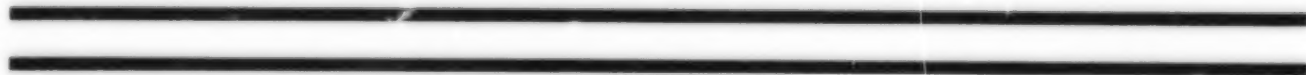
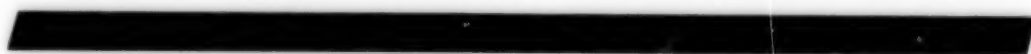
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CENTRAL EURASIA



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POLITICAL AFFAIRS

Glazyev on Chances for Accord, Budget

944F0574A Moscow DELOVOY MIR in Russian
7 Apr 94 p 4

[Interview with Sergey Glazyev, chairman of the Committee on Economic Policy of the State Duma, by DELOVOY MIR correspondent Timur Grigoryanets under the rubric "Viewpoint"; place and date not given: "The Time Has Come To Swallow Our Pride"]

[Text] Not so long ago a group of young politicians and scholars made a statement about the creation of the Russian patriotic movement People's Alliance, which analysts thought had a great future.

The authors of the document call for unification in order to save the self-respect of Russia and Russians, in order to prove that the ideas of patriotism and democracy are inseparable, in order through common efforts to prevent the final collapse of the state, the degradation of the economy, and the return to authoritarianism.

"We consider it a primary task to form a policy and strategy of national reconciliation...we are convinced that the key to national reconciliation could be the idea of citizenship, the idea of the good of our common and unified state. The time has come to swallow our pride and our claims to the only and always correct truth."

The majority of the initiators of the creation of the new social movement are members of parliament of the preceding and present convocations and are, as they say, politicians of the "third wave." For them, who already have post-perestroika political experience, the primacy of the law over personal and group ambitions is the basic moral principle for their activity.

The authors of the statement have appealed to their allies and sympathizers in the capital and in the regions, where they are now forming local People's Alliance structures: "We are asking everyone who cares about the fate of Russia to support our initiative."

The statement was signed by the following: S. Glazyev, A. Golovin, V. Yermakov, A. Krasnov, V. Menshov, V. Mironenko, I. Muravyev, D. Olyshanskiy, S. Polozkov, O. Rummyantsev, V. Sokolov, A. Fedorov, A. Tsipko, A. Chilingarov, and others.

One of the document's authors is the chairman of the Committee on Economic Policy of the State Duma, S.Yu. Glazyev. He is 33 years old, he was born in Zaporozhye, he graduated from Moscow State University in economics and then worked at the Central Economics and Mathematical Institute of the Academy of Science, he is a doctor of economic sciences, beginning in 1991 he worked in the government structures of Russia, and in 1992-1993 he was the minister of foreign

economic relations. Today S.Yu. Glazyev responds to questions from DELOVOY MIR correspondent Timur Grigoryanets.

[Grigoryanets] Sergey Yuryevich, among the recent political documents public attention has been drawn to the message from the president to the Federal Assembly. I would like to know your opinion of this document first of all.

[Glazyev] This message contains a description of the main points of the state's economic and social policy for this year. The Duma has attentively discussed the message and responded positively to its main ideas.

This pertains above all to the idea of conducting a more balanced and reasonable economic policy and the point that the reforms must not be conducted to the detriment of the people or be accompanied by their impoverishment. It is important that we first formulate a provision on the social cost of the reforms and devote a great deal of attention to questions of structural policy and the need to retain our scientific-industrial potential. That is, the Duma was pleasantly surprised by how balanced, reasonable, and constructive the message was.

[Grigoryanets] Does this assessment apply also to the draft budget submitted by the government recently for consideration in the State Duma?

[Glazyev] Unfortunately, no. In general one gets the impression that the people who prepared the budget did not read the president's message. The budget is practically in no way linked to the basic directions of the economic policy formulated in the presidential document. After discussion in a work group of the Committee on Economic Policy we came to the conclusion that, in the first place, the macroeconomic prognosis on which the construction of the budget is based is unreliable and, in the second place, the goal of the economic policy contained in the draft budget does not correspond to the goals formulated in the president's message, with the exception, perhaps, of the goal of reducing inflation to 7-8 percent by the end of the year. But even today it is obvious that events in the economy will not develop the way predicted in the budget, and if we execute it we risk hyperinflation by the end of the year. This will be a result of the sharp decline of production which, according to our estimates, could reach 25-30 percent, and the figures for the first quarter confirm this. This means that the revenue part of the budget will not be fulfilled and there will be more manipulations with sequestering of budget expenditures, which will introduce even more chaos into the economy. As a result, we will inevitably end up in a situation with a very large budget deficit and, as a result, extremely high inflation growing into hyperinflation. Nor does the budget fully correspond to the program of the government itself. That is, the president's message is like a thing unto itself, the government program is a thing unto itself, and the budget message is some kind of third reality which is poorly linked to the first two. And

that is not even to mention the fact that in reality everything proceeds according to some fourth scenario.

If we turn to the structural part of the budget and analyze the priorities found in it, we discover that of the several key branches to be supported in the government program, namely food, the fuel and energy complex, conversion, transportation, and the social sphere, in reality it is proposed that real resources be provided only for the agro-industrial and fuel-energy complexes. Actually science-intensive industry, which is the basis and the main reserve for reconstruction and economic growth throughout the world, and in our country as well, could simply cease to exist this year. We have already started to lose certain promising technologies; as we were able to determine from the results of parliamentary hearings two weeks ago, the list of them amounts to several dozen. These are irreversible losses, and yet many of these technologies could compose a basis for our economic advancement. We must not console ourselves with illusions—no boom in the raw materials sector of the economy can bring the entire country out of the crisis. We need modernization, renewal of fixed capital, we must realize the great potential that is concentrated in science-intensive industry. Unfortunately, the priorities designated by the president in his message and the priorities actually reflected in the structure of the budget do not correspond to one another. To continue to follow this same track is not simply imprudent, it would be insane.

[Grigoryanets] And what is your committee's verdict?

[Glazyev] The work group of the Committee on Economic Policy is inclined to suggest that the government join forces in order to develop a new budget that corresponds to the president's message and reasonable economic policy aimed at solving the real problems of overcoming the economic crisis.

[Grigoryanets] You and the experts have done a large amount of work during the course of studying the government draft of the budget. And what are your proposals in this connection?

[Glazyev] I think that today we have no other way out than to begin to develop a realistic economic program for this year and future years. I would like to emphasize that it must be based on a reliable economic prognosis. The estimate of the threat to our economy, which has already entered into a process of catastrophic destruction, must be realistic as well. We also need a prognosis of structural changes and any valuation of the reserves we have at our disposal. On this basis it would be possible to clearly formulate realistic goals and means of achieving them, to prepare the corresponding system of measures, and to build the budget on this. I think that this work could be done in a month. If we concentrate forces and work together—both the Federal Assembly and the government. This is our common cause, we together are responsible for the quality of the policy that is conducted and for the results that are achieved.

[Grigoryanets] What will it take to do this well-arranged work quickly? After all, it is already April....

[Glazyev] Perhaps we do not have the political will to recognize that the economic policy being conducted today is not adequate to the real interests of the country in overcoming the crisis and resuming the growth of national well-being. For our part, we have already begun this work; the first meetings of the group of experts took place last week.

[Grigoryanets] In what ways are you close and attracted to the people with whom you presented the initiative to create a new social movement?

[Glazyev] I have known them for a long time as responsible, honest, and purposeful politicians for whom the good of the country and national interests are the real meaning of political work. I think that the initiators of this movement could create the concentration of creative efforts, the impulse in the organs of power and among influential sociopolitical movements, especially in the regions, which could finally help society move in the direction of emerging from the crisis. The group of people who initiated the creation of People's Alliance includes specialists in the area of social policy, in the area of regional policy, local self-government, and many other key areas. My role is to coordinate and organize the work on the economic program questions, and we have already begun to do this.

[Grigoryanets] That is, you have decided to create your own economic program?

[Glazyev] In our country we have now entered a situation where it is time to ask ourselves the question: "If not we, then who?" For three months we have been waiting for the program for the government, we have been waiting for certain realistic measures from the structures of executive power, we have given suggestions, we have sent proposals, but no reasonable actions are taking place, and we are rolling toward an abyss like lunatics. In spite of the fact that we do not yet have sufficient possibilities of forming a realistic policy, we think that we must exert all efforts to introduce reasonable and constructive principles into all spheres of life. And I think we have sufficient intellectual resources and skilled personnel for such an initiative to work.

[Grigoryanets] Do you think that we still have a chance of bringing our economy and our country out of the process of disintegration in a civilized way?

[Glazyev] I think we have that chance right now. For perhaps the only positive result of recent months was that the majority of our politicians and organizations represented in parliament and the structures of executive power have recognized that we are indeed entering a process of uncontrollable catastrophic destruction of our economy and our society. And a reflection of this understanding was the adoption of the Duma of the "memorandum on accord" and then the president's initiative on the preparation of the Agreement on the Achievement of

Civil Peace in Russia. Today we see a sincere desire on the part of practically all factions in the State Duma and many workers of systems of executive power to develop a policy that would be acceptable to the people and would be realized to the good of the country from the standpoint of overcoming the crisis, restoring industrial growth, and restoring Russia's position as a great scientific and industrial power. The process of consultations, roundtables, exchange of opinions, and search for agreement on the main directions of our socioeconomic policy that has begun gives us a real chance of developing a program that would receive broad support and around which all constructive forces of society could rally. Today only the government has in no way indicated its attitude toward initiatives on agreement from the Federal Assembly and the president, but I hope that our criticism of the budget message and our proposals for improving it will evoke such an action. Because we cannot but see that behind the wasteful consumption and the flourishing of a limited number of firms and individual branches, behind all this we cannot but see the colossal impoverishment of the entire country.

Bakatin Views Changed State of KGB

944K1096A Moscow LITERATURNAYA GAZETA
in Russian No 14, 6 Apr 94 p 11

[Interview with former KGB Chairman Vadim Bakatin by Yuriy Shchekochikhin; place and date not given: "Lubyanka: The Fantasy and the Reality"]

[Text] [Shchekochikhin] Vadim Viktorovich, you are indeed called the destroyer of the KGB, although you were its chairman for a very short period of time...

[Bakatin] I do not know how I should feel about this label. On one hand, I may be proud that I am one of those who broke the pillar of the party-state system. Because the KGB (like its predecessors) served that system and ensured its security—first and foremost, of course, that of the Politburo. Although officially all this was presented as "defending the Motherland." And if I indeed destroyed this system, it means I was moving with the flow of historic trends... But I cannot accept the honor of such credit...

The KGB is a rudiment of the past. And in the past there were completely different rules of the game; first and foremost, these rules included control over thought. Now all of this has collapsed! Not the KGB, but the system which, I repeat, the KGB served. It collapsed not because a villain named Bakatin came on the scene—the system, of which the KGB was part, lost the game of history.

I came, however, with the firm conviction that the special service should not be disbanded or shut down like any other ministry. We cannot leave ourselves without special services, especially at such a turning point in history as we are at now. How can a nuclear state exist without a special service? Have we already reached a universal treaty on the all-out banning of special services' activities? Therefore, I did not intend to rid the

service of all professionals and hire people from the street on the basis of being "democrats" or "bearded..."

I saw my task not as destroying the KGB but first and foremost reforming it.

[Shchekochikhin] What did the word "reform" mean for us then, after the August putsch?

[Bakatin] First and foremost, destroying the KGB monopoly... In the United States there are 18 or 20 special services, and the functions of many of them are absolutely incomprehensible for us: For instance, protection of the U.S. President is carried out by the Treasury Department. This means that I had to see to dismemberment of the KGB. This is one. Second. At the time there was hope that a new Union would be formed; could, for instance, Kravchuk allow Moscow to have special services in Kiev? Therefore it was necessary to set up an interrepublic service that would carry out the functions the republics themselves would want it to: special equipment, cadre training, information support... Both were fairly easy to accomplish. I remember how on my only second day Leonid Shebarshin came to me with a proposal to separate the First Chief Directorate—that is, foreign intelligence—from the KGB, and this was quite logical. In the entire world, intelligence and counterintelligence are antipodes, competitors...

[Shchekochikhin] Just recently the same Leonid Shebarshin said in an interview that you were reorganizing the KGB with methods typical of a party obkom [oblast committee] secretary...

[Bakatin] But I am in fact the product of that system, although I am happy that it did not break me. Perhaps because before entering party work I worked for 13 years in construction... But of course, I have since my obkom days retained an intolerance for the viewpoint of others, a lack of listening skills. As to rudeness—this is a legacy of working at a construction site. So perhaps Shebarshin is right in some respects... Although I do not know what it was he did not like. He was one of the few people I relied on during my early days in the KGB. He was the most democratic of all those I encountered... He is probably holding a grudge because when it was necessary to make personnel changes in intelligence I appointed one of the deputies against his wishes. This was actually the pretext for his resignation...

[Shchekochikhin] Vadim Viktorovich, despite the fact that current FCS [Federal Counterintelligence Service] officers are not particularly fond of you, even they say that the food in the Lubyanka cafeteria improved perceptibly during your time, because you ate your meals there instead of in a special executive room...

[Bakatin] I do not know... Do not remember... I did drop in there, and scolded them for poor service... But I did not even have enough time to become familiar with all the Lubyanka corridors... I only remember that people complained about the cold, the worn out linoleum... But this is something the head of any agency hears.

As to people not being fond of me, it is not at all because I fired some or other person; no! For some, I was first and foremost an ideological enemy! I said from the very first day: "We have to get rid of the chekist attitude just like we are getting rid of Bolshevism. Let us turn an ideologized special service serving one party into a nonpartisan special service." This is what many did not like.

I want to repeat that I was not destroying the KGB as a special service. Do you know who was truly destroying it? Russian extremists, who after August 1991 strived to pull everything under Russia but in reality, while leaving everything as it had been, simply replace the sign "USSR KGB" with "RSFSR KGB." I can guarantee that this would have been the entire extent of the reform. This is what I was not about to allow to happen; by the way, Ivanenko supported me. And Boris Yeltsin, too... At least in the beginning.

Yes, I was working in an environment of confrontation with the Russian KGB. It was there—not at Ivanenko's level but at the level of his deputies—that our cadres were continuously enticed into coming over to them. Naturally, such artificial antagonism demoralized the cadres.

Still, the most difficult part then was something else—changing the internal content of special services' work.

When I came to the KGB I saw different people there. Some were too smart to sincerely believe in the idea that had died before we came on the scene. They simply pretended to believe in it. But there also were those who even now are still for Marxism-Leninism and are ready to hang those portraits on the wall again. By the way, they are still hanging in some offices...

[Shchekochikhin] Vadim Viktorovich, when you came to the KGB did you see that the thrust toward political surveillance was much stronger than that toward national security?

[Bakatin] The very concept of security was defined by two mottoes. In the external sphere—"struggle for peace," while we were building up our military might; in the domestic sphere—"purity of ranks," that is, protection of the party oligarchy. Gorbachev liquidated the system with one single action: by uttering the word "pluralism." It was enough to say that one could think differently from Marx and Lenin—and everything collapsed. It turned out that the very idea was stillborn.

For the KGB, security meant first and foremost suppression of dissent, and therefore of course, political surveillance was the predominant area of its work.

[Shchekochikhin] But you are accused of liquidating not only the Fifth—ideological—Directorate, but also during your time professionals who had never been involved in ideology also began to leave: specialists on combating crime, smuggling, espionage...

[Bakatin] Well, regarding departures... There was Stepashin's commission, our own internal commission, which was engaged in sorting out who did what during the putsch... And I have to say that I fired considerably fewer people than the chekists themselves advised me to. For instance, Border Troops Commander in Chief Kalinichenko: It was suggested to me that I fire him just because he gave an order during the days of the putsch to put the border troops on heightened alert... I did not even fire many generals, although some I probably should have...

As to the middle, let alone the lower, level, I did not touch it at all. On my second day on the job I issued an address to all personnel, which said that "there will be no hunt for scapegoats..."

Because no matter what, the KGB had good specialists. It is not accidental that they are now in such demand—look at any bank or major company...

[Shchekochikhin] And what about those dealing directly with suppression of crime? Did they stay?

[Bakatin] The way the KGB was combating crime was often a mere duplication of militia efforts. Remember how under Kryuchkov KGB personnel were put into the so-called suppression of economic sabotage, which placed its personnel in the position of counting jars in stores? They themselves laughed at it and asked one another when they would be issued militia whistles. The business of a special service is to combat international terrorism, drugs...

When I was minister of internal affairs I wrote a memorandum containing a proposal to take the entire crime-combating line out of the KGB and create an replica of the FBI; that is, I wanted to liquidate the duplication between the KGB and the MVD [Ministry of Internal Affairs]. In his edict of December 1991 Boris Yeltsin merged the MVD and the KGB (this was after Barannikov's appointment)... An edict which he signed at the airport (as he was departing for Rome) and he repealed several days later.

[Shchekochikhin] I remember that we put a lot of effort then into finding out where this edict came from, and never did find out... We took a tough stance then against creating such a monster...

[Bakatin] And you were wrong... You were looking at the KGB from the old, Soviet perspective... In those, Soviet conditions this could not be permitted under any circumstances... But when a society enters a period of democracy, this would have both strengthened security and liquidated the KGB as the KGB. When the KGB was stripped of its main task—suppression of dissent—they started looking for things to keep it busy... Kryuchkov came up with sabotage. Bakatin came and said: Let us tackle organized crime... That is, we were cutting one sphere and strengthening another so that we had at least something to do. Otherwise, who needs you? Had this

merge taken place, it would be like this: counterintelligence—Stepashin; intelligence—Primakov; and Yerin, who is responsible for combating crime.

[Shchekochikhin] But in the same United States there is a good dozen organizations combating crime; this is done first and foremost in order to reduce corruption inside the special services... As to our environment, I want to repeat that concentrating all mafia-combating efforts under the same roof will do no good. Not to mention the fact that the concentration of enforcement structures under one command is asking for trouble.

[Bakatin] It is only dangerous when there is no law, no control... When there is a power vacuum; when one can blast apart the parliament... When chaos reigns...

[Shchekochikhin] But we are talking about one and the same thing!

[Bakatin] I do not know now how the FCS and the MVD will divide the business of combating organized crime...

[Shchekochikhin] It also amazed me in the past, too, that MVD and KGB reports presented the same facts of suppression of crime, and it was not clear who in fact had conducted the operations...

[Bakatin] But this is precisely how it was! Routinely! I remember, when I was the minister of internal affairs indignant subordinates used to come in, waving the newspaper: "See, the KGB has again taken credit for our operation... But it only helped us at the last stage..."

[Shchekochikhin] When you came to the KGB, did you see that the crime-combating capability there was weaker than in the MVD?

[Bakatin] Not weaker... It is just that they had fewer people by two orders of magnitude than the MVD... But while you have more militia, you also have more corruption... Although, of course, the KGB is a privileged system which in principle was not particularly involved in combating organized crime... But the KGB's technical services are undoubtedly much stronger. It is like day and night as compared to the militia.

[Shchekochikhin] Vadim Viktorovich, there are persistent rumors that before your appointment, the KGB archives were being destroyed on a massive scale...

[Bakatin] The KGB archives were nevertheless in good shape. Yes, one can destroy materials in the archive, but some trail nevertheless remains. At the very least a protocol of incineration... Take for instance the Sakharov file... Kryuchkov destroyed the Sakharov file—which consisted of many volumes—but a trail remained nevertheless... The documents associated with the putsch, however—coded cables, directives, orders that had been kept in desks or personal safes—there was an attempt to destroy these documents, and some were destroyed in order to cover tracks. I knew it, and my first directive was... Also erroneous, by the way...

[Shchekochikhin] What was it?

[Bakatin] I forbade the release of anything whatsoever from the archives.

[Shchekochikhin] I asked M.S. Gorbachev, when he was still president, whether he was afraid of the KGB... He replied that he knew its might all too well... When you were a big party bureaucrat, were you afraid of the KGB?

[Bakatin] And what kind of might did the KGB have? Had it been strong enough at least to ensure the security of the system it served, nothing would have happened... After all, the KGB has not been able to save the system—so what might is this?..

[Shchekochikhin] So you were not afraid of the KGB?

[Bakatin] No... I had many friends who worked there, for instance, in Kemerovo...

[Shchekochikhin] But when I asked M.S. Gorbachev whether they were listening on him here, in the Kremlin, he replied: "Who in hell knows?.." That was the president of a huge country...

[Bakatin] Maybe they were in fact listening...

[Shchekochikhin] What about you—were you not afraid when you worked in the obkom that somebody was listening?

[Bakatin] I was not, and I am not now. Even if they are listening right now, as we sit and talk here at LITERATURNAYA GAZETA. I do not give a damn... I know that those who should be afraid are those who are conceiving something bad... That I am critical of this system, I never hid and am not hiding now...

[Shchekochikhin] What surprised you in the KGB? Something you never suspected they were doing?

[Bakatin] I have to admit that I came there as an outsider... And, of course, I did not know many things... Naturally, people took advantage of this...

[Shchekochikhin] How did you figure that out?

[Bakatin] I ask: Bring me the Sakharov file. I am told: "We have never had a file on Sakharov," that is, a man is lying through his teeth. I tell him: "You are lying!", and he tells me: "I am too old to lie..." So I had to replace the chief of archives, and only then not only did the act of the archive destruction surface but also some bits and pieces of the file itself...

[Shchekochikhin] That is, if they wanted to hide something from you, they could?

[Bakatin] Naturally. I repeat: I was an outsider coming into a tightly knit corporation... Speaking of what surprised me, though, it was this. I had thought in the past that the KGB at least was efficient and well-organized in terms of information collection. It turned out that this was a myth. In the past it always surprised me that for

any session or meeting, papers were brought to Kryuchkov by suitcase, and he sat and did something with them. When I myself saw these papers, I discovered to my surprise that almost all these papers were flak—that is, they contained things any normal person could learn the day before from the newspapers. Of everything I was given to look at, only one-hundredth was of interest. This part came mainly from electronic intercepts. Therefore, the surprise was that this huge system was doing nothing of consequence. I remember, Aleksandr Nikolayevich Yakovlev told me how, when he was an ambassador, he helped one chekist earn an order—he gave him a telephone book...

[Shchekochikhin] I was amazed at the trifles KGB agents were engaged in... I cannot forget how one secret informer told me that he received his 30 rubles (literally 30!) for reporting on his coworker—that the latter was reading "Lolita..." Did you discover that this system, on which the KGB rested, also was wasting effort?

[Bakatin] I agree, except that the number of KGB agents also is being exaggerated...

[Shchekochikhin] You are probably tired of this question... But still... The main accusation against you was that you revealed the entire system of surveillance in the American Embassy building...

[Bakatin] You of all people should know that this entire system was uncovered by the Americans at the beginning of the 1980's, and as early as 1982 at a Politburo meeting the decision was made to scrap this system as completely blown. This building was standing there like a monument to the cold war! Especially considering that this surveillance system was created in 1976 and has long become obsolete.

[Shchekochikhin] But I recently read myself in a newspaper that by doing this you blew our agent network in Finland, since this is where these bugs were being put into concrete blocks!

[Bakatin] This was done not in Finland but in Russia... I even know where... But I will not tell... What we declassified then had long been no secret for the Americans. All right, they outwitted us then, so what? The best thing was to openly admit it... The clamor began afterwards... When I had left the KGB... It is our tradition—a kick from behind as one leaves...

[Shchekochikhin] Vadim Viktorovich, in your opinion, did the KGB have something to do with the creation of Zhirinovskiy's image?

[Bakatin] Well, let us look at it this way... There was only one CPSU—and it had one special service... The time of pluralism came, and it had to ensure that this pluralism would not run wild... Therefore, theoretically the KGB could have something to do with it in order to somehow counterbalance the emerging democratic movement... I have no definite knowledge of this, however.

Baturin Seen as Undermining Intelligence

944F0576A Vladimir ZAVTRA in Russian No 11, Mar 94 p 1

[Report by DEN Analytical Center: "Baturin Is Against Counterintelligence"]

[Text] From the report "Political Technologists in a Systems Crisis" prepared by the DEN Analytical Center.

The events of the first half of March 1994, and most of all the subject of the so-called "state coup" and the "introduction of a state of emergency," are indicative of the severe exacerbation of contradictions in the present political establishment and the beginning of practical preparations by various groups for the post-Yeltsin period...

Despite his degradation as a political figure (for reasons of personal health and intellectual incompetence), Yeltsin nevertheless continues to play an important role in the existing political structure: He is a deterrent to influential political groups, preventing them from starting a ruthless "showdown" among themselves.

...The main principle of such a game consists of the following: The weakest groups (or group) must persistently try to clash with key political forces in order to weaken them as much as possible. The increase in confrontation between the main opponents makes it possible for "weaklings" to intensify their influence by playing one against the other. The game becomes especially effective if the president himself is involved (directly or indirectly).

Taking Yeltsin's maniacal mistrustfulness into account, it would be rather simple to use him to play out such a maneuver...

...Yuriy Baturin—assistant to the president for national security. Adequate knowledge and experience in problems of national security lacking. Main characteristics as an individual: tenacious and good memory, manipulator ("Physical and Technology Institute"—self-determination) type of mentality, pragmatic cynicism, and political immorality. Extremely ambitious, but is able to conceal this. A sanguine introvert. Has a high indicator on the F-scale. Presence of complexes that are characteristic of a schizophrenic type of personality.

...Baturin has a different status in the Kremlin structure that distinguishes him from Ilyushin and Sukhanov (Yeltsin's traditional inner circle), as well as from Filatov (who has support in the democratic environment). At the same time, Yu. Baturin uses the rivalry of Ilyushin and Filatov rather effectively.

Yu. Baturin's "brilliant" resourcefulness, which enabled him to acquire colossal influence over Yeltsin, who is becoming decrepit, was in linking the concept of "national security" with the concept of Yeltsin's "security."

Yu. Baturin took active part in preparation of the state coup in December 1992, worked on documents for the March coup (1993), and perfected the grievously known Edict No. 1400. He simultaneously reinforced his bureaucratic status. At the same time, Baturin, as a representative of an independent team, as before, is one of the weakest figures of the Russian political establishment.

Considering Yeltsin's traditional hatred for and fear of the KGB, Yu. Baturin prepared an edict on reformation of the FCS [Federal Counterintelligence Service], which was already on the president's desk in the Kremlin on 2 March. Nevertheless, Yeltsin signed a document on the assignment of S. Stepashin instead of N. Galushko as director of the FCS (according to some information, Filatov lobbied for Stepashin).

Literally on the second day, Baturin informed Yeltsin of the unsatisfactory work of the FCS, the lack of information from it that Yeltsin needs (although the last eight analytical documents from counterintelligence were held up on Baturin's desk). Simultaneously, he mentioned the negative attitude toward Yeltsin of a majority of FCS employees and reported on a speech being prepared by Skokov against Yeltsin and Chernomyrdin.

On 5 March, Yeltsin arranged a dressing down of Stepashin and refused to meet with him personally in the future (!), and demanded that Stepashin report to him every day at 0900 by telephone.

It was on Baturin's advice that Yeltsin congratulated women on 7 March in order to demonstrate to the whole country that he was healthy and able to function.

Later, new rumors were also started, in particular about the possibility of a coup d'etat on 17 March; a "version 1" appeared that was absolutely absurd in its internal contradictions, etc.

All serious observers realize that in the current situation neither the armed forces nor the MVD (Ministry of Internal Affairs) will resort to the use of force. Grachev, encountering the formation of at least four rival groups among the armed forces leadership, once again turned to the formula "the armed forces are outside politics." Even "hero of Russia" Yerin replied to a direct question from the president that he will carry out only a written order (but in his own circle he expressed doubt even about this). The "irreconcilable opposition" is significantly weaker today than before the October events, and therefore it will not be able to undertake anything serious.

But what did Baturin achieve? First, nervousness and uncertainty among the politically active part of society have increased. Second, it seems the ground is being prepared for unexpected personnel changes "at the top," whose initiator very likely will be the "diffident" Yu. Baturin. Third, as a result of "the March games," Baturin's ties with some "young" leaders have been

strengthened. It is not accidental that G. Burbulis cooperated with him actively during these weeks (in recent weeks G.E. finally realized that he can be transformed from a secondary to a tertiary political figure).

...Sixth, the action taken in March has hindered the objective process of forming coalition ties inside the ruling establishment itself, and it has made the leaders of different groups even more cautious.

...So, Baturin has remained a "weakling," but today he is already a much more influential "weakling."

Zhirinovskiy Regional Conference Speech

944F0550A Moscow SOKOL ZHIRINOVSKOGO
in Russian No 1, Feb 94 pp 3, 4

["Speech by V.V. Zhirinovskiy at Seventh Interregional LDPR Conference"]

[Text] Politics is the same as economics. If there is a shortage of raw material, you do not, for example, manufacture more dictating machines, if you lack the raw material, the factory comes to a halt. You are short of engineers. You have the raw material, but there are no engineers. Or the workers have given up working. Exactly the same in a party. The same mechanism. There should be no abstract thinking here: The party has divine origins. This has stuck in our minds because of the CPSU: The CPSU was God-given, as it were.... There was no other such party anywhere.

This is the fate of Russia, it was always unique. Tsarism was for 300 years one family. There was change everywhere, but with us 300 years of the one Romanov family. They grew sickly because one family means no fresh blood. They marry cousins. It is bad when there is no change. This was where the CPSU became burned out. The one-party system has its advantages, but if there are other parties, which criticize, if there is an opposition. And when they are absent, the party is unnecessary also.

We are a country just like all others, but our mechanism of government does not afford us an opportunity to catch up with the advanced countries. And when we lag behind, we have, of course, an inferiority complex, and we start to get agitated, although at the same time we outpace others in some respects. Where we do outpace them is with the army, and we are casting this aside. The Russian Army was the strongest at the start of the century. We have just gone and broken it up. The Democratic Russia types are betraying their people—us—and attempting to do everything to please the Americans, failing to understand that this will do nothing for us, the Americans will give us nothing, they are continually making promises, but they themselves have no spare money. And no one will feed a competitor. No one will give anything, neither the Japanese nor the Germans. Our line, therefore, must be an independent foreign policy, and within the country we must approximate the version that prevailed in tsarist Russia, that is,

introduce territorial division—provinces. All these federative treaties are useless. The breakup of the state would always be occurring with them because Tatarstan, Chuvashia, and Buryatia and the Khanty, Mansi, Komi, Permi, and so forth—they would all attempt to clothe themselves in a national covering, but the economy would not stand this. Bread cannot be Georgian, Armenian, Azerbaijani. Bread is for everyone. We cannot have the Abkhaz going hungry, the Georgians replete.

Nationalism, therefore, is a weapon that will only lead to war, nothing good would come of this. We should have a state and normal borders. With slight revision they should be preserved. Voluntarily, otherwise there will be war. War not with Russia—among themselves. They are now beginning to understand this. They are now filing back. They are now ready to return: Azerbaijan and Armenia and Tajikistan. Kazakhstan and Kirghizia [Kyrgyzstan] are unhappy also. What kind of democracy is it when the president himself does not know whether, although he is president today, he could be assassinated tomorrow. Because terrorism, political included, and gangsterism and uncontrollable processes are very difficult. But they are a school: If you remove the director and the teachers, the students scamper about. A strict director, teachers, and a bell are needed, then this school functions. Take away these elements, all the classrooms are empty, the desks overturned, and the books discarded. Here's an ordinary example. So with the state also. We remove the president, we remove the army and the police, we remove the borders—there is no state. It is stupidity saying that the army can be removed, that the borders are unimportant. There would be gangsterism. Gangsters would run riot. They are already doing so today. They are already killing daily. Blood in Moscow every day. We are in a state of war. All hospitals will soon be like field hospitals. Diphtheria has already come to Moscow.

What is the problem with Yeltsin? The public sector should not have been destroyed. Everything would be fine. Dealing with the economy, but not destroying the public sector, the kolkhozes and sovkhozes, but strengthening them. After all, the country is chock-full of spare land. Hands off the kolkhoz land. Give those who wish to engage in agriculture—the farmers—the spare land. Hands off enterprises that are operating successfully. Hands off the AZLK [Lenin Komsomol Moscow Auto Works], authorize private automotive services, let the private operators service vehicles day and night, and the AZLK consistently improve its production.

But this was not done because our leaders did not know how, the scenario was different—destruction of the country. This was not a mistake of Aganbegyan, Gaydar, or Yavlinskiy's team. The predetermined scenario was demolition of our state. They busied themselves immediately, therefore, not with economic reform but the creation of people's fronts. It was they who attempted to ensure that the CPSU depart the political arena as gently as possible and that it be replaced by people's fronts. Elchibey came to power in Azerbaijan. And when he

became superfluous, he was driven out, and the old one, Aliyev, returned once more. Or in Moldavia [Moldova] the same people's front. Lucinschi—the former secretary of the Communist Party of Moldavia Central Committee—has returned. And Brazauskas has returned in Lithuania. In two years—there they are again everywhere.

The army cannot be accused of treachery in a strong state because it defends this state, it cannot be a traitor. The Chilean option is impossible here: There is no candidate for the role of Pinochet. Makashov, Yazov could not have been such. Gromov—an Afghan veteran general—could not. Varennikov could have performed this role, but he is old, near 70.

Who arrested Beriya? Rokossovskiy, commander of air defense of the Moscow District. The army assumed this function. Makashov and Yazov displayed weakness, they could not do it.

Defense Minister Yazov honestly admitted: "I am not Pinochet." Had he not committed tanks to Moscow at that time, there would have been no Emergency Committee.

We have no Pinochet candidate. Zhukov could have been, but he is dead. Zhukov could have played the part of de Gaulle. The period coincides: De Gaulle came to power in France in 1953, Zhukov here was removed in 1956. All the other way about. Instead of putting General Zhukov, war hero, militant, strong, decisive, in the place of Khrushchev, an ignoramus, Khrushchev removed him. A general comes to power in a civilized country. And Eisenhower in America—a fighting general also. In these years America and France put fighting generals in power, at the head, as presidents, as civilians. We clear ours out. They, our generals, had experience and were decisive and intrepid people. They were removed, and such semi-imbeciles as your Khrushchev were installed, and around him was this whole team, Podgornyy. These people were incapable. The rayon is their level. And they were elevated to the height of a vast state. The most powerful state in the world. That's what the problem is.

We should have a special selection of personnel. This is the problem of the one-party system because, had there been opposition parties, Khrushchev, Podgornyy, Chernenko would never have been in power. But with a one-party system, the ten of them together make the decisions. There are ten of them, they decide who will head this party, who will be head of the state. The whole problem with the communists, the one-party system, was that, as they departed, they left an entirely undisciplined people: People can decide nothing, they do not want to. They did not have to think, everything was decided for them. And the party did not support the Emergency Committee. In Moscow alone there were 1 million members of the CPSU. In Russia, 10 million. Throughout the country, 20 million. And they did nothing. Where was the party? We cannot have just one person thinking in the Kremlin. The communist rank

and file did not think. They did not have to: open up PRAVDA—the decisions of the Politburo are in there. And the entire country did not think. I am speaking about the system. I am not saying that they had some false slogans. The system itself was no good. We did not have to think, they decided everything for us every two or three months. Ten persons would meet in session, and PRAVDA would print it for us. Do this.

Some people say that things were good in the stagnation times. True, they were good for me also. But the golden days, when we would eat up what we did not have, are over. You cannot eat everything up, you have to set some things by. Eat a little, set a little by, and we use the interest alone—only the interest. But we simply ate through our entire income. We are now left without anything. Things were good under Brezhnev, but what are we to do now?

The Democratic Russia people also can objectively do nothing now because there is nothing. Our industry demanded renewal: Everything here is old. We had giant-mania: more doctors and teachers, but little use. We need quality, only quality. We need to fight for this. We fought for quantity. We lost out here. Quantity is good in a time of war: capture a large amount of territory. Quantity is needed then. But in civilian life only quality is needed.

Having experienced all this, we should not return to what was bad, to the old ways. We should take from tsarist Russia only the country's division into provinces. This was outstandingly well done. Catherine II did it over 200 years ago. An excellent option. Today we have 89 regions, but they are tiny, consequently, Russia needs 70 provinces with 2 million persons, approximately, in each. Some 150 persons altogether. It is this that should be taken from tsarist Russia. Tsarist Russia's was a mixed economy—that could be taken also. The State Duma—the first Russian parliament—the name, could be taken, it was bicameral, a Senate. This could be taken.

Problems of social security could be taken from the communists because, regardless of the events in the country, the old people are not to blame, each of us will be old. If a new revolution is begun when we are all 70, and we are once again left without pensions, without accommodations, without health care—this is preposterous. Social problems were tackled pretty well under the communists. Everyone had a physician for free, a pass to a recreation center sometimes and some kind of roof over his head, and a minimum diet. A person could live on a pension, he could live at least somehow on R50. We could take the solution of social problems from the communists, therefore. The decisions concerning pioneer camps, say, were pretty good. Is this a bad thing? Remove the word "pioneer," simply youth camps. But the children had a holiday, it was better than now, when they are washing cars. You may wash cars, but let whoever wants to go on holiday, go on holiday. Paid tuition is possible, but there must necessarily be tuition

for free also. Some things may be taken from the communists, therefore. And we should take what world experience has accumulated, namely, a multiparty system. It is better taking the common, tried-and-tested path, we would do better to abandon experiments at this time.

LDPR Candidate on Local Election

94F0550B Moscow PRAVDA ZHIRINOVSKOGO
in Russian No 5, Mar 94 p 2

[Article by V. Savin: "Elections Nemtsov-Style"]

[Text] Arkhangelskoye Village, Nizhegorod Oblast—Elections to the local authorities in Nizhegorod Oblast are scheduled for 27 March. The support of no less than 3 percent of the district's electorate is required for registration as a candidate for deputy of the oblast legislative assembly. Such are the requirements of the statute on elections in the oblast. It was in accordance with this published law that I began to collect signatures. Our District No. 31 has an electorate of 52,700, consequently, I needed the support of 1,581 persons. I managed this task, but all of a sudden there comes news (via the newspaper once again) just a few days before the end of the signature-collection and candidate-registration campaign that no fewer than 2,000 voters of the district have to support the candidate for deputy. In other words, the rules of the game have been changed during the game. Only with us, perhaps, is such a thing possible.

Also interesting is the fact that Governor Nemtsov has lowered the minimum turnout for the elections to be deemed valid to 25 percent of the electoral roll eligible "to vote and to run for office."

Let us now try to understand all that is going on at our elections. First, they will produce no changes in the organs of power. The administration heads will remain in place, possessing the real power. The village elders will be wholly dependent on the rayon mayors, having no command authority and receiving purely symbolic wages.

Second, the elections to the oblast organs of power have been planned such that at the first stage even, that is, at the time of registration of the candidates, a realistic chance of being elected was cut off for the ordinary mortal. Whoever adopted this law was either entirely ignorant of the territorial disconnectedness of the inhabitants in a rural locality or was in fact counting precisely on this. I can say from my own experience that it is no easy thing to collect the electorate's ID data in such a quantity in the countryside. It is considerably easier for whoever either has the money or occupies a directive position. In this case they operate not simply but very simply—they dispatch their subordinates to the meetings or they go to the personnel departments and the councils, where they write down all the data of interest to them.

Third, in a democratic (that is, power-of-the-people) state, it seems to me, the nomination of candidates for deputy by representatives of the ordinary working people should be made as easy as possible. But the governor of Nizhegorod Oblast has his own view of the organization of "democratic" elections. To consolidate his power he is prepared to sacrifice the interests of 75 percent of the electorate, which, evidently, is contrary to the rules of public law in a truly democratic country. I know once again from personal experience that even if the requisite number of people do not show up at the polls on 27 March, the missing votes will be added at the polling stations so that they may report and please the authorities. The question arises in this connection: Who needs these elections?

LDPR Seen as 'Third Force'

944F0550C Moscow PRAVDA ZHIRINOVSKOGO
in Russian No 2, Feb 94 p 1

[Interview with V. Zhirinovskiy, leader of the LDPR, by N. Leontyev of PODMOSKOVNYYE IZVESTIYA on 2 February 1994 at LDPR Headquarters: "'Third Force' En Route to Power"]

[Text] Facts and fables concerning Vladimir Zhirinovskiy, leader of the LDPR [Liberal Democratic Party of Russia], are making the rounds of almost all periodical publications.... What does this politician, whose party is amassing ever greater authority in society, represent? The recent elections were graphic confirmation that a "third force" confidently putting the squeeze on the communists and the democrats has appeared on Russia's political horizon. What kind of force is this?

Our correspondent met with V.V. Zhirinovskiy at LDPR Headquarters and asked him to answer a number of questions.

[Leontyev] Vladimir Volfovich, how do you evaluate the political situation that has taken shape in the country since the elections?

[Zhirinovskiy] Things are bad for the people: As a consequence of revolutions, wars, perestroikas we are becoming destitute and dying before our time. For us as a political party this situation is very beneficial because the communists and Russia's Choice undermined their authority in 1991 and 1993. They have shown conclusively what they are worth. Voting by party slate, the electorate gave them 10-20 percent of the vote. The alignment of forces is in our favor, therefore. We are content and we believe that we are on the way to power, but we are not gloating.

[Leontyev] What, in your opinion, is the apportionment of forces in parliament?

[Zhirinovskiy] It consists of three parts: the forces of the left—the members of the Agrarian Party, the communists and those associating with them, and the radical democrats—Russia's Choice—Yavlinskiy, Shakhrai,

and others, and ourselves. The LDPR is a party of a patriotic plane, in the main. The democrats will be the fewest. The communists could muster more, they have considerable influence in the country. And ourselves. This is as yet. But the future elections will make our victory irreversible.

[Leontyev] With which parties and blocs do you intend to cooperate?

[Zhirinovskiy] With none. We are a third force. Let others cooperate with us. We will support all sensible decisions, if they correspond to Russia's interests, from wherever they come. We do not have party interests or a desire to knock down some party. If the matter under discussion is right for everyone, it is immaterial who sponsored it. But we could never form a bloc with anyone because there are no kindred forces. We are not communists and not radical democrats.

[Leontyev] The makeup of the government. How do you see it? Will members of the LDPR be a part of it?

[Zhirinovskiy] This will be decided by the president. He will form the government according to the new constitution. We are for its replacement.... Shumeyko has gone, Poltoranin has gone, Gaydar has gone. Consequently, there remain of that team Kozyrev, Chubays.... They must go, and then there will be a normal government. And the replacement should be people from the factions which obtained the majority. The LDPR could hold four positions, say. This would be a good version of a coalition government.

[Leontyev] Your first steps in the State Duma?

[Zhirinovskiy] We have prepared a draft decree on a general political and economic amnesty in respect to all events and cases as of 15 April 1985 in order to close "perestroika." None of the persons who were accused of political or economic crimes were guilty. Everything is now clear. We need to release everyone from prison and terminate the proceedings in the courts and investigating authorities.

[Leontyev] A few international questions: Russia has as of late abruptly changed its priorities and directions in its foreign policy in the Near East. Is this to Russia's advantage?

[Zhirinovskiy] In the sense of having turned its back on the Arabs? This is bad. This undermines our authority, military potential, and the economy. Here within everything is falling apart, and we are pulling apart foreign policy.

[Leontyev] You said that in the future you would cooperate with Iraq. Would this not cause a rupture with other countries?

[Zhirinovskiy] No. We should have normal relations with the whole world. But there are priorities. Iraq owes us \$10 billion. It would make sense for us to take this into consideration when we make a decision on the

question of the blockade of Iraq. This would be to our advantage. Iraq is our strategic ally on the southern flank.

[Leontyev] You write in your book that the war in the Near East is not over and that it could ultimately become the cause of World War III. How do you evaluate the process of a peace settlement currently under way there?

[Zhirinovskiy] Let them attempt to negotiate. God grant that everyone negotiate an end to conflicts. But this will not end because Israel, as a state, has not for 1,000 years been part of this region, where 100 million Arabs live and where there are many contemporary problems. There will be enmity, of course.... Unfortunately. Thank God, the war in Vietnam ended, and, perhaps, Korea will one day unite. Germany has united. But the Near East knot is the most complex. There is here the geopolitical factor, and the national and religious and economic factors play a part. It is the center of the Earth. For this reason this conflict will be more protracted, unfortunately.

[Leontyev] Could the Near East subsequently become the scene of a clash of Russian and American geopolitical interests, in your opinion?

[Zhirinovskiy] This need not happen. We have enough of our own oil and gas. Let the Americans and Japanese purchase it in tranquillity there. There is no point us sticking our noses in there. Our interests will be confined to Turkey, Iran, Afghanistan, which lack the oil and gas the West would like to obtain. The borders of the Arab world are the borders of our economic interests. And Iran and Syria, if they gravitate toward us in a geopolitical sense, this would be to our advantage.

[Leontyev] You write in your book that it would be to the benefit of the majority of mankind were the Muslim world to be anatomized, that we need to exclude the Muslim danger. Would this not lead to clashes in interethnic soil?

[Zhirinovskiy] They are occurring now. They need to be averted. Unless there are cohesive Christian and Muslim worlds (there is a Christian world also in Latin America and Australia, the Muslim world is concentrated in North Africa, Asia Minor, and Central Asia), there will be no peace. This concentration needs to be cut through, then there will be no possibilities of the concentrated offensives of extremist forces, of pan-Islamism. As formerly the Crusades subjugated people by the sword and blood, converting them to the Christian faith.

[Leontyev] Let us return, however, to our problems: Is a repetition of the opposition of the legislature and the executive possible, in your opinion?

[Zhirinovskiy] Yes, on the part of Russia's Choice. No one would any longer be in opposition. Russia's Choice would very much like this Duma to be broken up also. This is a group of adventurers that has no future, and for this reason they would like in the final phase of the

conflict to dash out of the country or to ensure their security by way of the establishment of dictatorship. They have two options: either leaving the country or dictatorship, normal work would threaten them with having to leave the government, then a new procuracy and a new government would institute criminal proceedings against them. Fear in the face of their liability would push them toward confrontation. But they are the minority, and we hope, therefore, that this will not happen.

[Leontyev] And the final question, perhaps it is the first also: What, in your opinion, was the reason for the failure of Russia's Choice?

[Zhirinovskiy] It is not a party. A purely technical failure. A party wins. But if on the eve of elections you form some team and give it a stupid name—Russia's Choice... What does this mean? What is its political orientation? It is not known.... And, second: Those who are to blame for all our troubles were assembled there.... They should have gone into hiding, left, put up neutral persons, but they are all there in a bunch: Burbulis, Gaydar, Yakunin.... They all assembled in this crowd, which has bungled so much.... They do not understand tactics: They should have left for other structures, moved into the background, and made Russia's Choice neutral—some new organization—they might, perhaps, have fooled some people, but they could not get their bearings even here, and they all barged their way through.... And they are still abusing one another in the Kremlin over ministerial portfolios and physically coming to blows. They are not simply insulting and criticizing, a showdown is under way, as among street toughs. That is your grouping. This why they lost.

Russian National Unity Still Active

944F0569A Moscow MOSKOVSKIY KOMSOMOLETS
in Russian 30 Mar 94 p 3

[Article by Aleksandr Khinshteyn: "Presents for Barkashov: He Was Met Not With Empty Hands"]

[Text] At a time when the recent prisoner and accused Aleksandr Barkashov is carefully hiding from the public in an undisclosed hospital, his associates in Russian National Unity [RNYe] are not wasting any time.

As became known to MOSKOVSKIY KOMSOMOLETS [MK] from sources within RNYe, most of its members were recently made aware of instructional guidelines from the DSP. On behalf of the Central Staff, it was explained to the "Nazis" precisely how they should wage propaganda among the population (it is not accidental that recent issues of the RUSSKIY PORYADOK party organ appeared in exactly a size that could be duplicated by Xerox in A4 format) and how to attract citizens into the party ranks. In particular, it is stated that it is desirable to make it mandatory for newcomers to participate in certain combat actions, in order to link them forever with RNYe. The ideologists call upon people to resort to any means, so long as they hold onto

people who are already running off in all directions (recently Unity was abandoned by a very large number of its supporters, and some of the businessmen who had given money had stopped acting the role of Maecenas. Rumors are rampant throughout RNYe concerning a certain businessman who, prior to October, had sponsored the "idea," but who, after refusing to continue to provide financing, had been robbed by "unknown" criminals.

The fact that all these indications are coming not from Barkashov himself forces one to wonder seriously about exactly who in the RNYe is the main person. It is known that chief of staff Viktor Krivov, even during the preputsch period, played far from the last violin in the party. Especially since people are beginning to hear vague news about a forthcoming reorganization of Unity. It is not precluded that whereas the recently one-man leader had been, by definition, the Chief Associate—Barkashov, and the Central Staff had subordinated itself to him, a staff which in turn managed the regional organizations, now Aleksandr Petrovich will have to coordinate all his decisions with the staff. In a word, the "Nazis" are being beset by the very same problems that beset the recent Supreme Soviet and the president.

Since Barkashov's arrest, the party has already had time to hold a few underground meetings (as a rule, in secret warehouse apartments where the RUSSKIY PORYADOK and AL-KODS newspapers are stored. MK knows, for example, about the existence of a secret meeting place like this in the area of the Shchukinskaya subway station), at which meetings it was decided to continue the fight and to create a commission to investigate the assassination attempt on their leader. The basic versions that were put forth were: a) it was the work of the Israeli Beytar militarized organization; b) it was purely a Mafia action involving money (the fact that Barkashov's people engage in the protection of commercial institutions is no secret to anyone); and c) it was the work of domestic intelligence services. The "investigators" doubt very much that this was done by competitors from other fascist parties. Probably they do not want to discredit the idea. The commission has begun its work and hopes to finish it before the already healthy Barkashov convokes the next party rally.

P.S. When this article was being prepared for the press, MK learned that Aleksandr Petrovich Barkashov had returned home to his apartment on Ulitsa Vavilova. In a conversation with an MK correspondent he stated that he would continue to carry out the fight while remaining the permanent leader of RNYe and, if any new disturbances occur, his party will participate in them once again, defending the interests of the Russian people. In Barkashov's opinion, today the chances of their victory are much better than they were before October.

Barkashov's 'Russian Order' Viewed

944F0596A Moscow MOSCOW NEWS in English
No 15, 15-21 Apr 94 p 3

[Article by Vladimir Ostrosvetov: "The Russian Order of Alexander Barkashov"; the first paragraph is introductory paragraph; quotation marks as published]

[Text] The Russian National Unity (RNU) movement will hold its constituent congress in April, at which the founding of a new political party will most likely be announced. The movement makes no secret of its intention to come to power in Russia, to restore the "single and indivisible Russia in the borders of the Russian empire," and then consider expanding it. One of the RNU declarations is devoted to the "work for training disciplined groups who support a strong, indivisible and powerful Russia for active political and, subsequently, state activity."

Leader

Alexander Barkashov, the leader of the RNU, was born in 1953. According to information, his grandfather participated in the repressions of 1940-50, and held responsible posts in the apparat of the VKP(b)-CPSU Central Committee. Barkashov has no higher education; his main profession is electrician. He is also coach-instructor in karate (he owns a brown girdle). He served in the special units of the army. In 1987-90 Barkashov was a member of the Central Council of the Pamyat society headed by Dmitry Vasilyev. At that time they had a falling out. Withdrawing from Pamyat, Barkashov set up his own organization in the autumn of 1990—"Russian National Unity for a strong, free and just Russia." Since 1991 it has been called Russian National Unity.

Organization

There is some structure underlying the RNU (although it is changing). It is as follows: Leader-Main Companions-Companions-associates-sympathizers. The leader is Barkashov. The companions consist of militants, members of a militarized organization within the RNU. Now they number about 600, much more than during the October events. According to press reports, 137 Barkashov militants fought near the White House. It is known for certain that two of them died—Dmitry Marchenko and Anatoly Sursky, both officers in the reserve. It is common knowledge that RNU militants protected the coup leaders—Barannikov, Dunayev, Achalov, Makashov. Most of the RNU members, led by Barkashov, left the White House in advance.

In order to become RNU Companions, one needs absolutely unstained "racially pure Slav" ancestry (spanning at least four generations). Any mixture of Jewish, Gypsy, Caucasian or Central Asian blood is categorically ruled out. In order to join the ranks of the Companions, a candidate must take an oath. This happens after the trial period of one year, but "it may be reduced in special

cases." After becoming a RNU militant, a person loses his individual identity. Although he is not permanently living in the barracks, he is still obliged to present himself when his superiors call. No considerations of personal or family character are taken into account. The militants train in shooting and in hand-to-hand combat at the bases where they spend from several days to a month. The location of the bases is kept secret, but according to some, they are in the Moscow Region—one not far from Balashikha, the other—near the Perlovka railway station.

The militants are divided into sub-units under the command of the Main Companions. A sub-unit consists of 20 people or more. The main Companions are included in the so-called RNU Commanders Council.

Apart from Companions, the organization also has Associates. They do not swear an oath and do not fight in combat formations. There are several thousand more Associates than Companions. In order to become an Associate a trial period is also necessary: for a certain period of time a person will serve as a Sympathizer, carrying out the assignments of the organization and recruiting new supporters. Among the RNU Sympathizers there are "high-ranking" generals, officials from the highest structures of the Interior Ministry and so on.

'The oath of Companion-in-arms' and 'Code of Honor'

The oath which the Companions take has 10 points, among them the commitment "to be ruthless to the external and internal enemies of Russia and the Russian nation," "to be always ready, by order of the Chief Companion, to defend the interests of Russia and the Russian nation and fight to the last breath against the external and internal enemies of Russia and the Russian nation within Russia and beyond its borders." Moreover, for breaking the oath "Companions must treat its violators as the Code of Honor of the Companion" prescribes: with capital punishment. The Code of Honor declares that the Companion is regarded as "the plenipotentiary of the Russian nation," and therefore it is his duty to restore justice for the Russian people" "with the power entrusted to him and with his arms, not appealing to judicial or other means." For members of the organization, no laws exist except their own: "The Companion resolves any questions, guided only by national consciousness, in keeping with the powers entrusted to him by the Chief Companion, and obeys no other laws." A very important point: "A Companion must always remember that Russia has no friends," and further: "the Companion may cleanse himself of the disgrace only with blood."

Members of the RNU

There are quite a number of military people in the RNU: regular officers, servicemen in the reserve, those in active service. There are militiamen and those serving in the interior forces. There are also quite a few workers, students and several clergymen.

Program

The Russian nation must become dominant in Russia. As for other peoples, a "differentiated" approach to them is advocated. They are divided into "natives" and "non-natives." The plans regarding "non-native" peoples are not published, they are worked out in secret documents of the organization. It is known that Caucasians, Turks, Central Asians will have the right to live only on their "historic territories," "a sharp reduction of birth rate" is expected in their countries, "a reduction of their number to minimum." As for Jews and Gypsies, "they will be fully eradicated as soon as possible." Barkashovites maintain that "Jews should not be deported either to the West or to Israel, because this will only strengthen the positions of world Zionism and its subversive work against Russia." It is suggested that the laws of Hitler's Germany be introduced in Russia. In other words, mixed marriage or liaisons "causing harm to the genetic fund of the Russian nation and leading to its dilution will be persecuted by law."

Russia, being a unitary state, must "as far as its administrative structure is concerned, follow the historical tradition, be divided into provinces and these provinces, in their turn, into districts and then into volosts" (small rural districts). The "existence of no autonomous territorial formations, splitting up the Russian people and weakening Russia" should be allowed on the territory of Russia.

Power must be concentrated in the hands of the "Russian national leader." Democracy is declared "a naive idea which has never been carried out anywhere (since power may realistically be put only in the hands of elite). It was invented by Zionists and Masons for demoralization of the nation and the seizure of world supremacy."

Propaganda

The main publication of the RNU, the paper **Russky Poryadok**, has been published for about 18 months. After the October events the circulation of the newspaper rose—the last issue claimed a distribution of 150,000 copies. At 100 rubles per copy it is not expensive. Its Editor-in-Chief is Kochetkov, Deputy Editor-in-Chief is Kremlev; members of the Editorial Board: Kokorev and Skirdenko; Marchenko, too, who was killed during the October events, was a member of the Editorial Board. The Editorial Board of **Russky Poryadok** are members of the Council of the RNU Commanders.

The movement made an attempt to publish one more newspaper—**Russian Banner** but the plan failed, only one issue was published. In Krasnoyarsk, the RNU publishes the paper **Russian Nation** (circulation about 15,000 copies), its Editor-in-Chief is Yemelyanenko. The paper is registered, just as the **Russian Order** (the registration number is 1184). Recently magazine **The Attack** was established. Apart from these regular publications, the RNU mimieographs and distributes leaflets and appeals. In the newspapers and leaflets of the RNU, reports often appear which do not correspond to reality.

Instead of facts, there is only a confident tone. Thus, the paper *Russky Poryadok* (December 1993-January 1994) maintained that the White House was fired at by the snipers of the 6th NATO Brigade and so on.

The RNU carries on its propaganda purposefully. After selecting a military unit, an enterprises or an educational establishment, it begins a "permanent contact," distributes literature there and sends agitators.

Relations with other parties and movements

The members of the RNU participate in the meetings and demonstrations of related parties and movements. However, the relations between them and the RNU are strained and often hostile. Barkashovites are particularly hostile to Zhirinovskiy and the LDPR. They regard Vladimir Volfovich as "the agent of Zionism, who has made his way into the ranks of the national-patriotic movement with the aim of destroying it."

Relations with the Church

In theory the RNU is a supporter of Orthodoxy, but "it respects and restores Orthodoxy as well as pre-Orthodox Russian national traditions," using various "symbols of national self-consciousness" (octagonal star, crosses, swastika and rotating cross), and the use of "masonic, anti-Russian symbols." The RNU does not lay stress on questions of religion and the church. The main thing for a person is to be a fanatic nationalist, an advocate of "racial purity," since he will be ready for Orthodoxy any way. The Barkashovites regard the present leaders of the Russian Orthodox church "mostly as Zionist-masonic" and insist on their being removed from the posts they hold. "The time has come to decide whom you side with. And if you do not decide, we shall decide for you and give everyone his due." This is the appeal of the newspaper *Russky Poryadok* to the leadership of the Russian Orthodox Church.

Sources of financing

The members of the organization pay no dues. Despite this, the movement does not have financial problems. According to information at the disposal of MN, the movement and some of its members have shares in commercial structures. Many of the RNU members are employed as guards at trade and commercial institutions. Barkashovites "maintain order" when functions of national-patriotic orientation are held and, of course, their services are not free of charge.

Views of Muscovites, Deputies Compared

944F0596B Moscow MOSKOVSKIY KOMSOMOLETS in Russian 30 Mar 94 p 3

Article [Article by Sergey Gulyy, under rubric "Analysis and Forecast": "Not Quite Statesmen: In Exchange for the Full Price the Voters Got Only an Empty Derzhavnaya Bottle"]

[Text] A Pioneer is a good example for all children. And a deputy is the same kind of mirror of society. Under communism, the party used to select the deputies: so many bachelors, so many representatives of national minorities, so many women, retirees, milking-machine operators... You were supposed to be able, on the basis of "the people's choices," to judge the quality of the initial raw materials. The mirror could also make slight improvements. But now anybody can become a deputy.

It is curious to compare what the "people" and its best exemplars think about one and the same question. If their views coincide, that means that something is wrong with the "people." So let's take advantage of Citizen Pashkov's Mneniye [Opinion] service. A survey involving "international" questions was conducted among 211 members of the Duma, who represent all the parliamentary factions, and also among ordinary Muscovites and other Russians. The results were rounded off to entire percentages.

Test for "presence of lice." Should Alaska belong to Russia or the United States. Exactly half of both groups responded: to the United States.

What about Crimea? It should belong to us, according to 51 percent of the deputies and 61 percent of the other inhabitants. An additional 40 percent of the parliamentarians agree to a compromise. Among the civilian population the number of people unwilling to make a compromise is twice as large—only 18 percent are in favor of a compromise.

"Is Russia threatened by an aggression against it by the year 2000?" "Completely possible"—26 percent of the Duma deputies, but only one percent of the Muscovites. "Unavoidable"—one percent of the Duma deputies and 22 percent of the Muscovites. It turns out that, among one-fourth of the city dwellers, including the parliamentarians who are temporarily registered in the capital, there is something wrong with the "roof."

There is somewhat of a lack of coincidence with regard to Minister of Foreign Affairs Andrey Kozyrev, the longtime favorite of Yeltsin's opponents. His resignation is supported by 17 percent of the Muscovites and by 3 times as many deputies. The spread among the various factions is astonishing: 100 percent of the Zyuganovite Communists vote in favor of elimination; and 100 percent of the liberals from 12 Dekabrya [12 December] support Kozyrev. The respondents who are closest to the Muscovites' opinion are Shakh-rayites from PRES.

When we evaluate the deputies' attitude to the possible secession of the South Kurile Islands and East Prussia from Russia, it turns out that, as compared with the evicted Khasbulatovites, the Rybkinites, even if they have begun to be a bit more tight-fisted, have done so only barely. Thus, four years ago 20 percent in one form or another agreed with the need to expand Japan at the expense of the "northern territories," but now only 17 percent do. Only a slightly larger number of Duma

deputies are tied to Kaliningrad: 6 percent in 1990 were in favor of returning it, but only 2 percent today.

In conclusion, the deputies' opinion concerning Yeltsin's foreign policy and certain sharp questions about the state system. It turns out that they are much less decisive about these matters than one would assume. Only 58 percent are in favor of cutting off economic aid to other countries; and only 56 percent are in favor of reinforcing the customs system in the CIS, by closing only the transparent borders. An entire fourth—24 percent—are in favor of letting Chechnya go with our blessing, and an additional 21 percent are in favor of letting the Dniester region go also (that is, are in favor of the withdrawal of the 14th Army).

In general, if one believes Mneniye, the members of the State Duma, 1993 convocation, proved to be much lesser statesmen that one could have assumed by listening to their campaign promises. They voted, in order to annoy Yeltsin, in favor of outright loud-mouths who did not necessarily share their views. And with a consideration of the deputy metamorphosis, practically speaking, they got themselves. The voting "against," plus the counterdeception of the people's choices provided the preservation of the status quo and the more than adequate representation in the Duma of the moods of the "masses," at least with regard to international matters. So, children, do not become deputies. They are dishonest, they do not love their Homeland sufficiently, and, in addition, they secretly support Uncle Yeltsin.

In your opinion, is there a threat that there will be military aggression against our country before the year 2000?

	State Duma	Moscow
Impossible	23.0	30.1
Not very probable	45.9	28.5
Don't know	3.8	18.8
Completely possible	26.3	1.1
Unavoidable	1.0	21.5

The Japanese government insists on the resolution of the territorial problem, that is, the return of the "northern territories." Do you think that those islands should be returned to Japan or should they not be returned?

	State Duma 1994	RSFSR 1990 people's deputies
Should be returned	3.9	11.9
Will have to return them	13.0	8.4
This should not be done	53.1	40.5
Time will tell	28.5	35.1
Difficult to answer	1.5	4.2

'Poor People's Party' Organizes

944F0569D Moscow *RABOCHAYA TRIBUNA*
in Russian 12 Apr 94 p 3

[Article by Georgiy Sharonov: "Poor People's Party Is Being Created"]

[Text] It was difficult to look at those who arrived at the Forum motion-picture theater in the capital without an aching sense of pity and empathy: elderly women in decrepit clothing, old men with dried-out faces, disabled people on crutches, blind people with guide dogs...

It would seem that the rosy-cheeked "reformers" have done everything to crush these people, to take away from them their last strength and their will to live. But those people, thrice deceived, lied to, and robbed, nevertheless have preserved their hope of getting a better share. They stood in line waiting to sign the petitions, in order to support the idea of creating a new party—the Russian Poor People's Party (PBR). That idea had been proposed by Nikolay Ayvazyan, leader of the Charity movement.

What tasks does the PBR intend to resolve? First of all, the task of uniting the efforts of all Russians, two-thirds of whom have proven to be at the poverty line, in their search for the quickest way out of the economic and political crisis. Secondly, the task of defending the interests of the indigent and socially unprotected segments of the population—the workers, peasants, and intellectuals—who have become the victims of the woeful experimenters. Thirdly, the task of consolidating the poor people to carry out planned and persistent actions to defend their legal rights and freedoms, and to strive for the development and implementation of a state program to protect the indigent. And, obviously, to render specific psychological and material assistance to those who need it.

The first PBR congress will be held in May. But already it has been announced that the payment of dues is not mandatory. If this is the case, how will the party exist? In response to this question, N. Ayvazyan answered, "There are a rather large number of businessmen who are ready to take on the expense of maintaining homes for disabled people, boarding homes for the elderly, hospitals, and orphanages, to supply food products, and give grants in aid for the downtrodden. But the exorbitant taxes that are going basically into the maintenance of the apparatus of officials who are no less rapacious than racketeers are killing people's business initiative and stifling production. The PBR will take actions to reduce and even abolish the taxes for those entrepreneurs who take close to their hearts the misfortunes of their compatriots and who engage dynamically in philanthropy. People like this are already expressing today the desire to provide material support to the Poor People's Party and even to enter its ranks. And I understand them well: with the situations that exist, they have the threat of ruination hanging over their heads constantly. Where should they be, if no, in the PBR?"

The Poor People's Party is not planning to seize the power or carry out a revolution. But if it truly becomes a mass organization, figures both in the legislative and the executive structures will be forced to listen attentively to it.

The creation of low-level PBR cells has begun.

Sobchak Deals With Student Demands

944F0569E St. Petersburg SANKT
PETERBURGSKIYE VEDOMOSTI in Russian
11 Apr 94 p 1

[Article by A. Vorobyev, press service of the St. Petersburg Trade Unions Federation: "The Students and the Power: The Process Has Started...: On the Eve of a Student Rally the St. Petersburg Government Made Important Decisions"]

[Text] It would seem that the city government is beginning to understand that the situation that has formed with the social protection of the St. Petersburg student group is an explosive one. (This newspaper has written about the student rally that is planned for 12 April.) Today people are already demanding the urgent interference of the executive authority in order to prevent a French recurrence on the banks of the Neva.

On 7 April the first session of the Commission on Problems of the Student Youth was held in the Department of Youth Policy, of the St. Petersburg government. That commission was created on the order of city mayor Anatoliy Sobchak. Sergey Prushchak was appointed chairman of the commission, and Vyacheslav Ryabkov, a consultant on youth affairs in the St. Petersburg and oblast Trade Unions Federation, became his deputy. The commission includes representatives of academy science, the council of rectors, and tekhnikum directors, as well as the students themselves and representatives of student trade unions. Now there has appeared in the structure of the city's executive authority an agency that has received the right to prepare drafts of decrees for the St. Petersburg government with regard to student youth problems.

According to tentative information, Vitaliy Mutko, deputy chairman of the St. Petersburg government, is supposed to allocate from the fund for the social protection of the city's population more than 900 million rubles for 1994 in order to render assistance to the most needy categories of students. At the next commission session, on 27 April of this year, there will be a discussion of the procedure for paying grants in aid to the most unprotected categories of students.

Metropolitan Ioann Interview

944F0548A Vladimir ZAVTRA in Russian No 10,
Mar 94 pp 1, 2

[Interview with His Eminence Ioann, Metropolitan of St. Petersburg and Ladoga, by Aleksandr Prokhanov, editor

in chief of the newspaper ZAVTRA; place and date not given: "Metropolitan Ioann: 'Russia Is the Footstool at the Throne of God'"]

[Text] [Prokhanov] Your Eminence, like every other person who is disturbed by the crime of last October, my attitude toward what happened is constantly changing. I was involved in it indirectly, my friends suffered. At first I felt the disaster, the tragedy, in my heart. And during the first two days after the gunfire, the firing from the tanks, and the burial of the victims I experienced terror, human terror. And then this terror was replaced by sadness, apathy, depression. It seemed that something great had been lost, that this bloodshed would not pass without leaving its mark on our history of long suffering. But as time passed and I increasingly came to accept what had been done, my depression began to be replaced by a strange sense of light. There appeared to be hope that these sacrifices, these deaths were not simply bloody absurdity. There is some providential, Russian Orthodox point in all this.

The martyrs, some of them to their faith, some of them to the homeland, some to the people, did not die in vain. Their death expiates the vileness, the filth, the swinishness, the thievery, the disintegration. The October events were a light-producing explosion...for example, my comrade Stanislav Terekhov, the first to be taken, was beaten up terribly and thrown into an artillery enclosure. He said that there he decided to become a Christian. And this is a representative of the Red military organization, the Union of Officers. Moreover, there, in jail, he decided he wanted to get married in the church.

It seems to me that this is related to a spiritual transformation and I would like to hear your opinion: Am I right? How is one to feel about all this? What is the spiritual meaning of the recent events?

[Ioann] I think Terekhov's example is very telling. The Union of Officers, as far as I know, has cooperated with a number of Orthodox brotherhoods in Moscow and St. Petersburg. And it was suggested that Terekhov become a Christian long ago, since he has always been very respectful toward Orthodoxy. But, apparently, something kept him from it, something was standing in his way. And, being an honest person, he probably did not want to take these steps just to please others. Some internal shift was necessary. Thank God if it occurred after the events of "Black October."

Even the ancient Greek philosophy included the concept of "catharsis"—purging through tragedy. And the teachings of the Orthodox Church tell us that any moral improvement is possible only through grief. A person pays for his spiritual growth through hardship encountered on his path, patience, and the ability to endure pain which is found only in the experienced and wise. Disaster deprives a person of a sense of external well-being and forces him to change his spiritual condition.

And the first step on the path of Christian improvement is recognition of one's lack of well-being. Shock, spiritual disturbance.

When this happens, a person begins to feel that something is wrong in his life, that something is missing. And if at this time he fearlessly asks himself the most unpleasant, "accursed" questions—he will inevitably come to the Church, he will come to a religious experience of the world, to the understanding that a full-value existence is impossible without God. "I rebuke and punish all whom I love," said the Lord. The main thing is for the punishment not to be in vain, so that after spiritual vision will follow repentance from sins and a change in life.

Now about what happened in October. In the first place, nothing supernatural or surprising occurred. All of Russian history is catastrophic. Cataclysm after cataclysm, catastrophe after catastrophe. The Russian people, carrying through the centuries the Orthodox idea of the embodiment of the truths of the faith, the ideals of justice and mercy, into surrounding life, are endlessly "squeezing" through those circumstances that stand in their way. In an imperfect world evil fights very effectively against good. And when various theological principles are being realized in life they inevitably encounter the most stubborn resistance.

From this viewpoint there is nothing surprising about the October events. They are just another obstacle on the path to Russian revival. But at the same time they are an extremely serious warning. If we do not draw the necessary conclusions, if we are not able to break the negative tendencies in the life of Russian society, if we are not able to make ourselves return to the historic path of development and restore the connection of time that has been broken since the 1917 revolution, then the blood in October will have been shed in vain.

It seems to me that the outcome of these events is not a defeat of the people but a kind of victory, because it was very difficult to assume that after the incredible ordeals the Russian people have been through during this century, after the desecration of the past eight years of "perestroika," there would so many people in Moscow who would come to the White House. Because there were very many of them.

And this is in spite of the fact that on the opposing side were strength and power and a many-century tradition of obedience, which is so inherent in the Russian personality. In spite of the fact that the opposing side had the media, the leaders of the opposition were not so attractive to the mass consciousness. The people went "for the idea." This, incidentally, escapes the attention of many analysts.

On the opposing side everything is clear. They went there for the benefits, "for the power." There everything is psychologically comfortable. But here there is nothing but discomfort. There was not even a common leader, not even a common banner. But the people came. This

means that the charge of spiritual energy in society is indeed considerably greater than it seems.

[Prokhanov] After this disaster, when the crisis in Russia had become even deeper and more terrible, when society was even more divided, the powers that be came up with a number of plans to consolidate the level of victory that had been reached and to stop the slide into ultimate chaos, civil strife and disobedience, and a general Russian catastrophe. Among all these political and cultural-ideological plans, I am taken by one that is still not being openly discussed, but they are beginning to whisper about it in the back rooms and political clubs. They are beginning to speak about restoring the monarchy. The monarchist plan is being considered from various angles, and its various contours are coming to the surface. For example, one suggests transforming the current president into a patron, into a regent of the young Cesarevich, who will be crowned for Tsardom and become the Russian ruler. Another plan suggests direct election of a Tsar involving a convocation of the synod—all-Russian, including all classes...and this is surprising!

When I was a young man it seemed impossible even to think about the revival of Orthodoxy. But my friend who was later ordained into the holy orders said even then: "Everything is in God's hands. A miracle is possible. On these ruins on which we are now standing (we were standing on the ruins of the New Jerusalem Monastery), believe me, even in our lifetime the cloister will be restored. And perhaps we will become brothers in this cloister...."

I did not believe him and spoke ironically. But indeed—the miracles happened! And not only in Church life. The restoration of the monarchy was not being discussed in Russia at all 20 years ago. It was a daydream, the wish of a tiny group of extreme monarchists who could be found in certain Orthodox circles. There were none at all in secular life. And now the daydream has almost become a real political aspiration which could even be achieved this summer.

But here is what I would like to hear from you. I understand that the Orthodox Church consciousness perceives Russian state institutions in the monarchist form which is traditional for Russia: an Orthodox monarchy. Not a truncated, constitutional one, but an autocratic one that is linked to a mystical anointing of the Tsar, one that is consecrated by the Church and Christ. But could it not happen that today's planners imbue the monarchy with an essentially atheistic context. The more so since the classes that at one time developed, brought forth, and provided for the actualization of the monarchy no longer exist. We do not have the aristocracy through which the monarchy made its mark in society, was nourished by its juices, nor do we have the nobility by which it was supported through military institutions.

How can the monarchy be restored in our postindustrial society? Will this great cause not turn into a profanation, a sham, a discreditation of the very idea? Is this not a

mechanical, premature action and is there no craftiness included in this plan? Will we not be brought some foreign Tsar in a snuff box? I am convinced that the Church is far from indifferent to these issues....

[Ioann] In the first place, one must say that over many centuries the basic creative principles of Russian life have been defined by the remarkable phrase "orthodoxy, autocracy, and nationality." Officially, it was suggested by Count Uvarov at the beginning of the 19th century but in reality it has defined all Russian life since the age of the reign of Ivan III, the moment when the centralized Russian Orthodox state was formed.

We must keep in mind that this phrase is not the product of any arbitrary human contrivance but a statement of an objective fact—the fact that a harmoniously constructed society must contain in its basis three most important elements: spiritual, state, and national. The spiritual element is Holy Orthodoxy. The state-organizing element is autocracy, and an autocracy may be regarded at three different levels, and all three of them are quite justified.

First. It is possible to regard it as a particular political mechanism whereby the supreme power in the state, which is in no way limited, belongs to the monarch. This is a mechanical way of looking at it, but a correct one.

Second. One can regard autocracy as a state structure whereby the fullness of power, which determines the state of affairs in the country, belongs to its internal state institutions.

From this viewpoint Russia today is not an autocratic country because it is half controlled from abroad. Nor was Russia an autocratic country when it was under Tatar-Mongol power, since the Khan's Baskaks were stationed in Saray and there the Russian prince received the edict to reign from the great Khan. Today it is quite possible to draw a kind of analogy between these two epochs.

Then there is a third level of the understanding of an autocracy. It is mainly inherent in the Russian soul and it is the Church, the spiritual level. In this case autocracy is regarded as a moral-religious condition of society, the collective national spirit. When people recognize that they want to live not under the power of Ivan, Petr, or Sidor, not under the power of any "legal" systems created by the weak and corrupt human understanding, but they want to build their life according to God's law, that higher law of justice, love, and mercy which is given to man in Revelations.

And then the people, voluntarily accepting the "yoke and burden" of Christ and the Gospels, will crown the entire state structure with the figure of the anointed sovereign of God—the Russian Orthodox Tsar. All three levels of understanding and laws are admissible. But we, of course, are necessarily attracted most by the spiritual-mystical level.

The last element of Uvarov's triad is nationality. He suggests the existence of a concrete collective bearer of religious-moral ideals. And so the Orthodox spiritual foundation, the state form of power, and the people as the collective bearer of the moral ideal—such is the universal formula for a harmonious social structure. And we will never get away from it. We can try to falsify it, emasculate it, to pin the "Black 100" label on it and declare it obsolete, out of date, and unfeasible—but in vain. Any society, beginning with Ancient Egypt headed by the Pharaohs and ending with the modern cosmopolitan American society with its "ethnic melting pot," lives according to these three fundamental laws.

The entire question, of course, is which spiritual and religious principles lie at their basis. Today in the West, unfortunately, these are blatantly theomachistic, anti-Christian principles. As for modern Russia, first of all one must say that the monarchy cannot be established from above, just as a person cannot be ordered to "be a believer." The people must grow into this condition. And there are a number of signs from which it is possible to judge that the processes of such spiritual growth are going on. For what we are observing in Rus today is a miracle.

By all human measures, according to all rational calculations, this should have been a spiritual desert long ago, everything should have been burned and destroyed. We have been suffocated, poisoned, and mortified for almost an entire century! I think that the backroom architects who planned these terrible scenarios for Russia thought that the Russian people would never regain their viability, in any case not within the fairly long amount of time it would take to set in motion new mechanisms of destruction which would on a new level incinerate and remold the reviving spiritual energy of the Russian people.

But "man supposes while God disposes." It has been no time at all since 1985—eight years, and since the time of the first shock (August '91)—three years. But the changes are taking place rapidly, especially, of course, in the world views of those elite groups of the population that determine the condition of society to a considerable degree. And this speed makes it possible for the plans you are discussing to exist.

I have already had occasion to hear about them from various parties. As of today there is no real possibility of revival within the framework of the existing political structure of those spiritual ideals which would make it possible to give Russian statehood a monarchic form. You cannot put a suit on a dog and pass it off as a gentleman. And cosmetic, superficial changes in this situation will resolve nothing.

But if the changes are deeper, they will set mechanisms in motion in the people's soul and energies will awaken which nobody will be able to influence. The ideas of Orthodox statehood are so deep and so ingrained in the mystical essence of the elemental national spirit that if

anybody were to really decide to play with these issues, I am more than certain that he would end up with a quite unpredictable result.

As for specific issues related to various names, we must be fully aware that the house of the Romanovs is extremely disjointed as of today. And, say, the attitude toward the best known representatives of this house in Russia—Mariya Vladimirovna, Leonida Georgiyevna, and the "heir" Georgiy are extremely diverse. For example, the association of the house of Romanovs flatly refuses to recognize their grand ducal status. So any attempts today to resolve this problem through any kind of force of will are doomed to failure. One would have to be extremely naive not to understand the objectives pursued by present-day propagandists of this kind of false "restoration."

And speaking about a synod, the fact is that a real synod must follow Church canons and Russian national traditions. And if we look at the history of Russian synods we will discover that they have a number of features that make it extremely difficult to perform any kind of political manipulations with them. People today who try to use the synod idea for their own purposes would be forced either to pass off some unauthorized assemblage as a synod or else encounter insurmountable difficulties.

I think it is now time to set certain "pre-synod" mechanisms in motion in Russia. We must contribute in all ways to the creation of various public forms of self-organization which could then become support points in preparing for the Assembly of the Land. And then sooner or later this process would reach its logical conclusion. But a real synod would occur when it actually unites the Russian people, when its result is all-national, nationwide solidarity around the single high ideal that enables Rus to rise up to its full height and the people—to recall their ancient historical roots and recognize their ultimate religious-moral calling.

And when the people, having recognized this, freely say: "Oh, Lord, we recognize your commandments as our laws, our obligations, our mission, and our duty and we will act and build our personal and state life in accordance with them"—then this will be a synod and it could elect a monarch.

[Prokhanov] It does not have to be a Romanov?

[Ioann] Of course not. The fact is that the "legal jurisdiction" of the synod is unlimited because it expresses the opinion of all the Russian land in keeping with the moral and religious norms and rests on the unshakable foundation of the all-beneficent and all-perfect law of God.

[Prokhanov] Modern political scientists use the term "social psychology." In analytical centers and groups there are social psychologists who investigate the social psychological background in which various measures are to occur. Of course this is a precise, refined specialty which uses research methodology. The professionals

manage to understand the condition of people's minds over horizontal and vertical cross sections over the entire area of Russia. But modern society has very inadequate instruments for understanding the spiritual condition of the people.

It was thought that in an atheistic society this "sensorium" would be culture. The artist, the writer "fulfilled the duty" of a spiritual guide. And he tried as hard as he could to fill this role, partially replacing the clergyman—the person who was supposed to professionally understand the very problem of the spirit. Otherwise how could one perceive the spiritual condition of the human being or the society while denying the existence of a soul as such and not understanding those processes, the sinusoid along which the soul moves from birth, from the rapturous entry into life through the fall into sin, through the attempts to avoid or exculpate sin, through the spiritual achievement....

And now today when the Church, for which, of course, it is also very difficult, is nonetheless increasing its influence, its power, its luminescence, you are accepting many people—both Orthodox and non-Orthodox—as a spiritual leader, as a person filled with radiant knowledge, as a spiritual guide who has a theological view of present-day Russia. It is no wonder people are drawn to you. I would like to ask you yourself: Is there now a word, a formula, an idea that could help Russians to unite, join together, surmount the schism, the growing hostility, and prevent a catastrophic upheaval? And if the time for the monarchic idea has not yet come, on what basis is it now possible to unite the nation?

[Ioann] In the first place, it seems to me that we are on the threshold of a catastrophic upheaval. One of the most important results of the October events is the substantiated conclusion that civil war in Russia is almost impossible today. It would be very difficult to start it. You spoke about social psychologists. But in Russia all the social technologies launched for purposes of its destruction, which have been repeatedly tested, calculated, and substantiated in a gigantic many-century experiment, have failed. None of them has produced the expected result. They have been realized almost fully—by 80 or 90 percent. But this "almost" has always canceled out the final result.

Academician Shafarevich once noted that the concept "Russophobia" is justified in both of its meanings. There is hatred for Russians and there is fear of them. Where does this fear come from? The fact is that those masonic mechanisms that work beautifully throughout the rest of the world do not work here in Russia. After all, they have been tested repeatedly by the world underground! Everyone seemed to be counting on them, but in Russia—they do not work. And this happens because social psychology and rationalistic science in general are not capable of carrying out in Russia those tasks that have been set by her destroyers.

Every science has its own area of application. In order to understand Russia, in order to function intelligently here, it is necessary to have an understanding of laws of a spiritual nature, a complete and clear knowledge of which is preserved only by the Orthodox Church. Throughout two millennia it has stored not only the truths revealed from above concerning God, but also concerning man and the harmonious social structure of our earthly existence.

As for the unification of the people, it seems to me that it has already occurred to a considerable degree. The very fact of your question is evidence of this. Today everyone is looking for something to unite us. And this search in and of itself is that powerful unifying principle which in time will consolidate all of us, all Russian people, around the age-old spiritual ideals of Holy Rus.

In recent years a very considerable event has occurred in the life of Russia. There has been a recognition of the fact that we are living wrongly, and that in order to correct this—so that we will begin to live in keeping with our theological calling—a certain breakthrough must be made. And the fact that this question is now rising to its full height in the Russian national consciousness is a very powerful unifying factor.

But we must not hurry things. Take, for example, the power in the state. During the past year its slogans have changed radically. Before our eyes the regime has evolved in the direction of national interests, in the direction of searching for a unique form of statehood. This is no accident. Many people are now saying that the people "up above" are simply afraid of losing power and this is why they are building on patriotic slogans. Let us assume that this is true.

But that is not the point. Life itself is forcing the authorities to move in the necessary direction. And all of Russia's enemies are afraid of this. They know that if given a chance to develop peacefully if only for 10 years—the many-century, gigantic impetus of national collectivism and great-power statehood in various forms will inevitably lead Russia onto the main path of revival of Holy Rus. After all the historical catastrophes, Russia has always been restored in a new capacity, even more powerful and glorious.

[Prokhanov] I, who am not really a Church person, a secular, everyday person, who has occasion to communicate with people of the Church, know the idea that the life of the Church is essentially a spiritual metaphor of the life of Jesus Christ in all of its manifestations: From the birth, the flight to Egypt, the fast, the entry of the Lord into Jerusalem, and the confession—to the cup at Gethsemane, to handing him over to those who would destroy him, to the agony on the cross and death on Golgotha, to the placement in the grave and—the resurrection.

Since the Russian people are the bearers of the Christian idea, their fate throughout history has also been to a certain degree a metaphor for the life of Christ. That

being the case, various periods in Russian life are like icons in the iconostasis of the life of Jesus. It is quite obvious that the terrible slaughter and persecution of the Church after the 1917 revolution were its agony on the cross. And the Church's quiet, the speechlessness that prevailed after this on our earth reminds one of the death of the Savior and his three-day departure from the world.

And then something new began, like an awakening. I do not know if Christ arose in this sense, whether the angel pushed aside the gravestone, but it is clear that a new period began. Which icon from Christ's life do we have now, in your opinion, which stage of His life is Russian society, the Russian people, the Russian spirit experiencing now?

[Ioann] Here we must keep in mind that such analogies must be drawn with extreme caution and reverence because, unfortunately, even the well-intentioned part of society, going back to its Church roots and not having sufficient Church experience, sometimes goes too far in its desire to penetrate into the spiritual mysteries of Orthodoxy. One must be gradual, fearful, and reverent when approaching the holy and be clearly aware that ultimately at the foundation of being lies God's mystery, unknowable and rationally inexpressible.

"This mystery is great," the Holy Scripture teaches us. It can be perceived within the framework of a profoundly intimate, personal religious experience, when the human heart encounters God, and this personal meeting gives a person a certain understanding that "the ear does not hear, the eye does not see, and the heart does ache" in the ordinary earthly life.

The history of the Russian people and the parallels you have drawn with evangelical events, of course, are correct, taking into account all the conditions I mentioned. The crucifixion of Rus in this comparison is "superimposed" on the crucifixion of Christ and the Savior's subsequent entry into public service. The hardships experienced by Rus throughout its turbulent history evoke clear associations with the sorrows, oppression, and persecution experienced by the Savior during His life on earth. A comparison is suggested between his sufferings on Golgotha and what our people and our country have had to endure in the 20th century. And it is quite possible that we are now standing on the threshold of Resurrection.

But in order for a miracle to occur we need the power of faith. If we are able to preserve and increase this power within ourselves, then the many prophecies about the Resurrection of Holy Rus will come true...let me speak about the concrete conditions for the Resurrection: Until the Church pervades society, the Russian Resurrection will not occur fully. Until the intelligentsia overcomes its innate illness—intellectual pride—until it recognizes the primary, saving significance of strict Church forms of spiritual life, the revival will not occur.

Modernism and liberalism are fatal in the area of the religious world view. The divine truth does not require

"updating" or augmentation. From mankind it requires only efforts to perceive it, to join with it. Until this happens, we will not resurrect Holy Rus. But today we are still too strongly afflicted with pride and self-will, which, incidentally, also led Russia to the revolution 80 years ago. And to this day we think: We have stumbled, and we can put ourselves aright—without God's help. No, we cannot put ourselves aright! And until we recognize this our domestic rod and staff of sorrows sent by the Lord will persecute us, being the instrument of the all-beneficent divinity who is concerned about our spiritual enlightenment.

[Prokhanov] According to Christian teaching, the end of history is coming, the Terrible Judgment, the end of this sin-filled era. But until the Terrible Judgment occurs, mankind, as before, will be concerned about the fate of his homeland, the condition of resources, institutions, war, schools, roads, and the condition of our minds. People think about geopolitics and interrelations with neighbors, and all of our hopes are bound up in the well-being of our homeland. Many people understand today that the style and character of life that are associated with modern earthly civilization have exhausted themselves. This civilization is coming to its end—smoothly in some places, and in some places terrifyingly and catastrophically.

Is a new situation coming to earth, a new way of life which people are trying to anticipate, to figure out, and some are even trying to build it. Some speak about a certain ecological civilization where every creature, and every plant will live in harmony; others discuss a sensory civilization where striving for material goods will recede into the background and the mechanism for religious, philosophical, and rational consciousness will come into play. Still others have in mind a new, super-integrated earth with rational utilization of the remnants of the earth's wealth, the kind of neosocialism, the kind of worldwide phalanx that will make it possible to maintain universal order.

Which is the true one for Russia? Perhaps the image of the 17th century when it was prepared to be transformed into a single monastery, or Russia at the turn of the 20th century, when our realm began to acquire the features of earthly, material well-being?

How would you like to see our homeland?

[Ioann] In order to answer this question we must first solve the well-known human puzzle: What is the meaning of life? Any ideal of social structure, any form of harmonious coexistence of people on earth is possible only when people live thoughtfully, understanding the purpose of their existence, and build their life in keeping with this.

The Church gives a completely clear and direct answer to this. Of course it has nothing to do with any kind of "sensory civilization." It is simple but very difficult to perceive for modern humankind, which is excessively caught up in and bogged down by the passions of

vainglory and pride. The meaning and purpose of human life is to return to ourselves that initial heavenly combination of purity and holiness, when the human heart was inaccessible to evil and sin, the condition Adam and Eve were in after the creation, in Eden. The main thing is to return to ourselves that invaluable treasure of lost communication with God. One of the greatest Orthodox saints, the holy Augustine, once said: "The Lord created us for himself and the human heart will not be at rest until it unites with Him."

Look: Mankind is constantly striving; fighting wars and changing boundaries, destroying and creating again, pushing it knows not where. This unquenchable thirst for feverish activity, the thirst for new things ensues from the fact that the sacred heart is empty. The human heart was created as a valuable vessel for receiving the gifts of the Holy Spirit. After the fall it was deprived of them, and now it is fatally ill.

So the Church is the hospital for the soul. And a society will be built well when it does everything possible to make sure that this hospital is able to treat the human soul most effectively, calmly, and peacefully.

Russian history knows how the state, social, and economic life of the country and the people must be constructed in order to accomplish this. Thus, for example, in Russia it is impossible to build a healthy economy on the philosophical foundation of a "consumer society." This is unthinkable. The Holy Scripture teaches us: "Seek first the kingdom of God and its truth and the rest shall be given unto you" (Matt. 7:33).

It is impossible to build the economic life of Russia based on the capitalist principle of unlimited reproduction of goods and services. This is absurd. The Lord said: "What good does it do man if he acquires the whole earth but his soul is in pain?" (Matt. 8:36). The philosophical basis for our life must be different from what it is today.

All the external riches in this world given to man by God are concentrated and available for use; there is nothing prejudicial or illegal in them. But we must not use them to defile ourselves and those around us but, relying on the beneficent properties of this world with which the Lord generously imbued it, help our soul to restore itself to its initial condition of divine purity.

When people say that the conservatism of the Church could throw society back 200-300 years, that is stupid. It is impossible to go back 10 years, not to mention 300. But to restore in society that ancient spiritual tradition with which Russia lived for a thousand years is absolutely necessary. Religion presupposes a link between man and God. And just as the separate human individual has his duty to God, so the collective individual of the Russian people has its particular duty to Him.

It was advantageous to God in His infinite wisdom to entrust the truth of faith to be preserved and protected by various peoples. First it was entrusted to the people of

Israel, but they did not keep these truths, they were not worthy of their high calling, and after the terrible crime of decide they were rejected, expelled from holy service.

Then this mission was turned over to another people, the "people of God"—the Christians, who initially were concentrated in the great-power state body of the Roman Empire.

But in the 12th century when Rome introduced inadmissible dogmatic innovations and fell away from the universal fullness of Orthodoxy, its mission was also taken away and turned over to Byzantium (the second Rome). It performed it for several centuries, but in the 15th century as a result of the most powerful military and political pressure it was unable to maintain the proper purity and decided to unite with the Catholics, that is, it allowed a distortion of the divine faith.

Then the duty of the keeper of the Truth went to the Russian Orthodox state, to the Russian people, understood as a collective spiritual community. We must constantly be aware of our responsibility for our mission, following it in everything, and build our lives in keeping with our religious duty. Only then will we be able to restore the Russia God needs, which will become a kind of precious shrine, keeping inviolable and pure the ideals of mercy and love, justice and truth, generosity and benevolence.

[Prokhanov] I recall that in my youth I was captivated by patriarch Nikon, and in our circles there were "Old Believers" whose idol was archpriest Avvakum. I was Orthodox, a specialist in public law, and a Nikonian, and I frequently visited New Jerusalem, and all of a sudden it dawned on me: Nikon was waiting for the Second Coming of Christ, he wanted to transform Russia into a place where the New Jerusalem could exist. He thought the Second Coming would occur in Russia. Apparently the majority of Russian people believed and expected that Christ would come to Rus, that there would be a Russian Second Coming. And in order to invite Christ to this place, the New Jerusalem was created, where on the suburban Moscow landscape, among the suburban Moscow woods, on the Istra River a place with the name of the holy places would be created. There were the Jordan, Bethlehem, Golgotha, and Favor....

I was struck by the grand scale of this plan. In essence it was as though Nikon had changed the coordinates of the earth, trying thus to change the cosmic coordinates, shifting the meaning and center of history to Moscow.

If I have understood you correctly, the ideal of the future Russia should amount to preparing through Russia a place for the arrival of God, making it agreeable to Christ, and in this sense somehow making the image of the homeland more like the New Jerusalem, to the extent that this is possible in the terrestrial hypostasis....

[Ioann] Not at all, Nikon did not have that kind of pride. The building of the New Jerusalem was simply a "material" embodiment of the spiritual fact that Russia recognizes and accepts its religious mission. But the Second Coming should never be discussed too simplistically. This event must be awaited in reverential fear and spiritual rembling.

While the Savior came first "in the form of a slave" in order to serve the people, His Second Coming will be "in power and glory" in order to judge us according to our deeds. And nobody will have to ask: "Where is the Christ?" All will be able to see Him, "A bolt of lightning flashing from the East to the West."

When the Orthodox ascetics asked how they would know the Antichrist, they frequently received the following answer: "Sons, if you hear that Christ has arrived somewhere, you will know that it is the Antichrist" because when the Lord actually comes everyone will understand instantly because this will be the coming of the Lord and Master of the Universe, the creator of all that is, who is infinite in his accomplishments and his wisdom.

As for spiritual images, everything here is fairly clear and simple: Russia as the universal repository and defender of Holy Orthodoxy is the "footstool of the throne of the Lord." This understanding has matured in Russian religious self-awareness over many centuries and it was formulated most clearly right before the revolution by our great saint, the all-Russian man of righteousness and prayer Father Ioann Kronshtadskiy. "To be born a Russian," he said, "is the gift of a certain mission. For in the Church there are no nationalities, there are no Greeks or Jews"; it distinguishes people only according to their missions. There is the Tsarist mission, there is the patriarchal mission, there is the monastic mission, there is the secular mission."

So the Russian mission, at once sacrificial and heroic, lofty and humble, human and universal, is to be until the end of time an obstacle on the path of the evil that is pressing for earthly power, to stand until death defending divine truths in the sacred objects of the faith.

As long as we remember this, Holy Rus will live, unconquerable and a source of terror for our enemies and God's! And for our faithfulness to our duty and the work we do the Lord will grant his warriors a great and eternal recompense, all the blessings of which cannot be accommodated by our present pathetic human imagination.

Luzhkov Brings Suit Against ZAVTRA

944F0548B Vladimir ZAVTRA in Russian No 10,
Mar 94 p 1

[Unattributed article: "ZAVTRA Against Luzhkov"]

[Text] Luzhkov brought the suit to court. This obese gentleman diving into a hole in the ice was offended at ZAVTRA. The newspaper had published an article by I. Ivanov entitled "Third Power," in which Luzhkov is

accused of bloodletting. Luzhkov, "whose role in the cruel treatment of the demonstrators on 23 February and 1 May is well known." This is what was said in the article.

He denies the blame and, striking an indignant pose, is demanding an apology from us.

We will not give him any apology and we are going to court asserting: Yes, Luzhkov is to blame for the bloody events in Moscow on 23 February 1992 and 1 May and 4 October 1993. He is also to blame for the bloodshed. This is shown by documents we have at our disposal and the testimony of victims. The procurator's investigation of this case was suspended but, taking it to court, we are resuming this investigation.

We hope that all Muscovites who were brutally beaten by Luzhkov's special-purpose militia detachment during the demonstrations on 23 February and 1 May, all relatives of those who died during the brutal storming of the House of Soviets on 4 October, all people's deputies who were tortured by Luzhkov's men in the driveways and in the militia departments will come to the courthouse on 5 April 1994. We ourselves will testify about how Luzhkov's commandos broke into the editorial offices of DEN with automatic rifles and conducted a pogrom.

We are not afraid of losing, we are not afraid of the corrupt bureaucrats in the mayor's office. ZAVTRA, like DEN before it, is acting to defend the people.

Luzhkov wants to become the president of Russia. We are doing everything we can to make sure that this does not happen. So that the terror and shame of Moscow does not spread throughout our homeland. So that the depravity, gangsterism, drug addiction, whoring, bribery, corruption of morals, destruction of culture, and trampling on the individual do not become the norm in the cities and villages of Russia.

Luzhkov is a new type of authority who has crawled out of rotting Yeltsinism, cruel and merciless, relying on shady capital, passing himself off as someone who cares about the people. Issuing from this power is a new disaster the likes of which Russia has never seen before, but it is known quite well by Latin American peoples who have been transformed into slaves by "death squadrons."

All who value freedom and honor, who do not want a Luzhkov dictatorship, come on 5 April at 1000 to the Leninskiy Rayon Court at the following address: 7 Rostovskiy Lane, Building 21, Room No. 5.

Duma Committee Chairman on Corruption

944F0548C Vladimir ZAVTRA in Russian No 10, Mar 94 p 1

[Article by Viktor Ilyukhin, chairman of the State Duma Committee on Security, recorded by Olga Timofeyeva: "Power Has Been Corrupted From Bottom to Top"]

[Text] The main threat to Russia's national security is undoubtedly domestic in nature, although it is manifested through external influence as well. Of course, I do not mean direct military aggression.

The most important task today is to preserve the country's unity, so that the Russian state will not become a "patchwork quilt." It is also necessary to provide for Russia's sovereign right to dispose of its own wealth: minerals, strategic raw material, gold reserves, precious metals, and so forth. We must not allow our country to become some kind of colonial appendage. If foreign investors and foreign firms are able to penetrate deeply into our economy and financial system, Russia will lose its sovereignty and national independence, and without military aggression.

Many people today think that Russia is surrounded only by well-wishers. This is a profoundly erroneous position. Unfortunately, we have opened wide not only our doors but also Russia's borders for penetration of everyone and anyone and we have removed all restrictions on access to what was previously closed. We have foreigners as advisers to the president and government, advisers in the economic structures and financial system. Foreigners already have their hands on our property and have made their way to our property and have made their way to our natural resources. In think this is an uncontrolled process—a far from normal phenomenon. But if we begin to rectify the situation, I do not rule out the possibility of strong pressure on Russia from the states of the West. In other words, we have many friends as long as we allow them to operate without restriction in the country. But as soon as we raise the question of restricting their freedom of activity, their attitude toward us changes.

I am in favor of national accord, and on this plane I am prepared for any interaction with the government and presidential structures. But under the condition that they will take into account at least the interests of the majority of the population, the main social strata. Because when the hungry, the unclothed, and the unshod continue to be poor and on an ever larger scale and the well-off and the rich increasingly rob the poor and down and out with ever greater frenzy, no national reconciliation can be achieved. For the sake of universal peace and harmony, the course of the so-called economic reforms must be changed.

No less crucial is the problem of fighting crime and corruption. I think that with the present course of the reforms, if it is possible to stop their growth at all it is only for the time being. Because the social basis of this phenomenon will not be eliminated. In the section of Yeltsin's message devoted to crime I was struck by the frequent use of expressions like "needed," "necessary," and "must," meaning the government, the Duma, and the Federal Assembly as a whole. But who has been keeping the president from fighting crime up to this point? After all, he is the one responsible for the government; according to the Constitution he is the one who guarantees observance of the rights and freedoms of the

citizens and is responsible for protecting their interests. And he, the president, is the end point of the power structures. So what has Yeltsin done to fight crime during his reign besides issue empty declarations which we hear in every one of his speeches?

Our problem is that the laws are not being obeyed, and not least of all—by the president himself. Moreover, the current authorities are corrupt from bottom to top and they are never going to fight against themselves. Now the post of procurator general has been filled by Ilyushenko—a member of the infamous “interdepartmental commission.” It is difficult to imagine a greater tragedy for the procuracy or greater harm to law and order in Russia. During the past three years the procuracy has lived through three procurator generals and, unfortunately, each has been worse than his predecessor in terms of professional qualities and persistence in defending the law. Knowing the procuracy system and many of its workers well, I can state that Ilyushenko will not be taken seriously either by the apparatus or by the workers in the localities. And this will have a negative effect on the state of procuratorial oversight and the organization of the fight against crime.

As before, the current authorities will limit themselves to exposing only individual cases of corruption and wage the battle against it in insignificant forms. The foundation, the essence of this phenomenon that is tearing society apart will remain untouched. As before, corruption in the higher echelons of power will be beyond the reach of anyone who would expose it, and that is the saddest part. Honest procuracy investigators and judges will perform their professional and civil duties in fear of losing their positions, their jobs. There are plenty of examples of punishment of principled, “obstinate” workers of law enforcement organs.

But still, even under the current unfavorable conditions, a fight against crime can and should be waged. The first contacts between deputies who are members of the committee on security and law enforcement organs inspire a certain amount of hope. We have already concluded an agreement with the Ministry of Internal Affairs of the Russian Federation concerning joint development of legislative acts aimed at stepping up this battle. The Ministry of Internal Affairs has assigned a group of its own specialists—scholars and experts. We are also arranging similar contacts with the Ministry of Justice and the Procuracy. We have held work meetings with representatives of the Security Council. We have a certain understanding and we can work together.

Still, in my view, serious progress in this area will be possible only with certain changes in the leadership of the Ministry of Internal Affairs and the discharge from the law enforcement system workers in all of its areas who compromise themselves. It would not be a bad idea for such a “purge” to simultaneously affect government structures, administration chiefs, and presidential representatives in the localities. People must be recruited not according to the principle of personal loyalty to the

leaders but according to the principle of professionalism in combination with steadfastness, honesty, and devotion to the people. It would be desirable to take all these urgent measures in concert with effective law making, improvement of the moral situation in society, and, undoubtedly, improvement of the well-being of the people.

The first work sessions of our committee revealed a certain uniformity of views among its members and a similarity in the assessments of the situation and the security of Russia. We have declared a need to adopt a law on corruption. We are preparing for hearings in the State Duma of a draft law on protection of judges, procurators, and workers of other law enforcement organs. We have announced a law on protection of victims and witnesses. We are working on a draft law that would regulate the extraction, production, transportation, and sale of strategic materials, precious metals, and gold.

In my view, the political amnesty declared by the State Duma was an important state toward national accord. The question of restoration of justice with respect to the people arrested and taken to court for the events of 19-21 August 1991, and 1 May, 21 September-4 October 1994 was raised by the opposition long ago, and above all by the Communist Party. This was a point in their election platform and a kind of mandate from the voters.

An awareness of the fact that the investigation of these cases that has been started and their examination in court will not reveal the objective truth and hence will not be fair has gradually come to many of the deputies. They have also understood that Russian society cannot be constantly in a state of civil war, we must get out of this situation somehow, because confrontation threatens us with graver consequences. Therefore an attempt has been made to find at least certain areas of mutual understanding among various factions in the Duma, and we have adopted a memorandum on accord. Amnesty is the first step toward building bridges among various groups in parliament and thus in our society.

Army Called To Save Russia

944F0548D Vladimir ZAVTRA in Russian No 10,
Mar 94 p 4

[Article by Major General Viktor Filatov: “Army, Save Russia! Outlines of a Secret Plan”]

[Text] Amnesty and freedom—are they the same thing? One time I happened to be in Surgut and I could not restrain myself—I visited a famous site there—the hard labor colony. In terms of the number of “personnel”—1,600 people—it was no different from a full-fledged motorized infantry regiment! I know barracks: from those of flyers and people serving on submarines to those special forces and construction battalions. In the sleeping quarters, the dining room, the recreation facilities, and the work places in the Surgut hard labor colony, at least externally, things were better than in our units

and subdivisions. The prisoners in the camp looked more cheerful and sharper than the soldiers in our garrisons. The commander of the colony was a colonel, just as colonels are at the "helm" of our divisions almost everywhere....

The "outside" and "demobilization"—what is the difference? If they were "taken" or "called up"—how are these different? "There" they begin with being "arrested" by the militia, and "here"—"recruitment" to the military commissariat. "There" they begin with the "agenda" and "here"—the same thing. "There"—"a training school" and "here"—"a training school"...

But the soldier does not have such a benefit as—amnesty. For the soldier it is all the way, as for murder. This is true: Our army is constantly being threatened with cutbacks, but this does not affect people serving their stint on active duty, but for officers it means banishment, falling to the bottom. In any case amnesty is to the benefit of the government—the benefactor!—it always adds those who receive amnesty to the ranks of its supporters. The part of the army that is cut back is always an army against the government.

Today, in addition to everything else, the army knows that on 4 October 1993 it was drawn, through deceit, into the dirty and bloody affair against its own people. With its help the regime, albeit only apparent and implied, held on—and this is called "digging in its heels." The army would not be likely to make the same mistake again.

Now Yeltsin has a problem—how to get back the written order he gave to Grachev for the tanks to fire on the House of Soviets. It turns out that Pasha is not that simple—he...took it and "lost" it. The entire Ministry of Defense and General Staff are "looking" for it today.

Amnesty has always been declared in honor of victory and the victors. The present amnesty is in honor of the new constitution, which essentially legitimizes the regime of occupation and plundering of the country. Whose victory is it, who is the victor? The new constitution, like any constitution, must be defended. But who will defend this one? Logically, if it is in honor of the new constitution, the criminals will walk through the gates of the camps, and from the moment of their release they will defend it. In general has anyone thought about the words "the government took advantage of criminals and criminal elements for its own interests"? What does this mean concretely?

It took approximately two years to prepare the army for war against fascist Germany: In 1938 it was a standing army, like the Germans', and in 1939 a law was adopted concerning universal military service, just as the Germans had. Today the Moscow rulers are shouting to all the world: A terrible internal enemy has appeared in Russia—Russian nationalism. The internationalists have a precise formula for this: If the enemy does not give up, destroy him. And such things require a strong, well-trained army.

Approximately two years ago Yeltsin headed up a commission on fighting crime. All the jails are now overflowing. There are three or four people for every bunk. But crime is growing immensely. Why? Did they arrest the wrong ones? They "arrested" the ones they needed— young people who had been in Afghanistan, who had served in the army, former militiamen, workers of the Committee on Security—in a word, the military commissariats were working, and they were "drafted into the army."

Now 220,000 criminals are free. A "small but modern army"—the "Kremlin sergeants" say now. The only thing is that it is "small" in mind as well.

The authorities already purport to be concerned that in April-May there could be a "social upheaval." Could this not happen at 0400 on 22 June? Why April-May? Is it not because by that date it will be possible to "release from the ranks" those 220,000 amnestied "demobilized" people, to "relocate" them, to station them so that they will be able to look around the localities, go on "reconnaissance" missions, look over the future "battlefield"?...

Two years these young people who are supposed to be criminals have spent in "training school." The brigade—the platoon, the shop, section—the battalion...every platoon, every battalion has its number. The "battalion of defenders of the Kremlin No. 666"...throughout the entire world they are called "death squadrons."

But that will come later; first—the circles of prison camp hell. The masters there since the times of the NKVD [People's Commissariat of Internal Affairs] People's Commissar Iyeguda, for Russians Yagoda. He was the organizer and inspiration for the GULags of 1931-1938. Among the GULag chiefs was his kinsman-Berman.

During this period the main thing is to be able to crush a person as an individual, to frighten him to the point of animal terror so that it seems to him that there is no way out, and if there is, there is only one—the noose. It is impossible to bring the present-day criminal to such a condition in the camp—he is at home there, he is his own person there. But it is the criminal—the sadist and the pervert, the drug addict and the tuberculosis patient, the psychiatric patient and the torturer—they perform this "educational work" under the wise leadership of the "citizen boss." The criminal is like the division commander, the senior man in a regiment of new recruits.

In the language of criminals, a person who has committed a "minor offense" and is in jail, not knowing what for—this person is an "ox." And after the "ox" is already beginning to try the noose on his neck for size, suddenly the "citizen boss" says to him approximately the following: "A new constitution has been adopted. It has been signed by President Boris Nikolayevich Yeltsin. According to this constitution Yeltsin is fighting for your amnesty. Pray for Boris Nikolayevich because out there, on the outside, he has many enemies. They do not want you to have amnesty but our president is a go-getter..."

and he gives the person, as they say nowadays, a light at the end of the tunnel. The "ox" goes around to everyone explaining that "our own father, the savior Yeltsin" must be protected, and there is nobody on the outside except him to stand up for the "ox" and there are enemies out there: fascists and nationalists. "Do you agree?"—This is how the "government has taken advantage of criminals for its own purposes."

In the colonies and camps this or approximately this was the way they asked the people they needed right after Yeltsin pushed his constitution through. But this question was raised especially pointedly after 4 October 1993. At that time Gaydar called out into the streets of Moscow those same "oxen," but they were "demobilized" in a different way: "For good work"—ahead of schedule. As they say: "Master, the assignment has been carried out."

In April-May of this year a real "small but modern army" will be put to work. They will think long and hard, for example, about such a "special case" as when the military general and hero of Afghanistan Gromov suddenly, when Yazov was still in office, became deputy minister of internal affairs. As a counterbalance to the patriot and statesman Yazov? To train a regular professional army against the internal enemy, about which we had not heard a single thing at the time?

A few more than 220,000 people are now being released—not many more than there were in the 40th Army with Gromov as commander. The regimental horizons were calculated and taken into account.

The patriots: "Hoorah! Our victory!" It is not much of a victory when criminals grant freedom to honest people and seem to change places with them. The patriots must clarify: This amnesty is the beginning of a large-scale operation. It was begun by forces that fired from tanks at the House of Soviets. Then there was a concrete task—to destroy soviet power.

Lieutenant Colonel Yushenkov—a teacher of Marxism-Leninism at the Academy imeni Lenin and now one of the fiercest supporters of the occupiers, does not conceal the fact that amnesty will be the beginning of a civil war in which they, the "democrats," will destroy "Russian fascism," meaning everything that is national and Russian from time immemorial.

They planned this amnesty way back two years ago. "Taking advantage" of the Duma's patriotism, they released about a dozen of "our" people. Anpilov, for example, immediately took up his "atom bomb"—the microphone...but "they" used this amnesty to create and mobilize an entire army. It went through its "combat training" in such model-demonstration hard labor camps as I saw in Surgut.

In April-May everything will be like in training sessions where they choose up sides: The "reds" will be ardently in favor of...the Kremlin, the "blues" will persistently defend and protect...the Kremlin. For a large combat

training maneuver they usually plan for 15-20 corpses, and the causes of death vary, but, as a rule, they are caused by carelessness and drunkenness. The "reds" and the "blues" are only conventional designations for soldiers of the same army of "Kremlin sergeants." Each only depicts the opponent, the enemy.

More than 15 or 20 corpses are planned for the Kremlin walls during April-May. Everything is envisioned, even what Yeltsin will say at the funerals. In addition to everything else, he will announce an edict there concerning the introduction of a state of emergency throughout the country for two years.

"Victory!" Yushenkov will shout heart-rendingly. And the appointees will rush to their places. To all the posts and positions. For two years. And "our people" will be returned to their cubicles.

The journalists and Poltoranin are worried that there will be no money for paper. How Poltoranin toys with them! He knows that in a month or two all these problems will evaporate because all that will be left will be two or three occupation newspapers like IZVESTIYA and MOSKOVSKIY KOMSOMOLETS, and there will be plenty of paper for them.

And they should not delude themselves and placate themselves with the idea that confusion and even panic, incoherence and even hostility will constantly reign in the Kremlin's corridors. This will occur on the floors housing the uninitiated. That is the way it is designed. You must know Yeltsin. When he was first secretary of the Moscow City Committee he had two party city committees: One was his own personal one, almost his family, which did all the work, and the city committee which all Muscovites knew—it signed papers and hung flags throughout Moscow on revolutionary holidays.

And today there are two Kremles: One Kremlin makes the decisions and the other one runs around making stupid announcements, conducts pointless news conferences, squabbles, intrigues, they scheme against one another, and, looking intelligent, make predictions and produce models. But all these are people "researchers." But they are not allowed within machine gun range of Yeltsin's holy of holies. So "that Kremlin" works, like a finely tuned mechanism, without interruptions and failures. Ultimately to hell with them, with this "second Kremlin," if there were any improvement in the country. But, after all, it is quite the opposite.

Is everything calculated? Have we been sentenced? Is there no way out? But...and again the last hope—our national army. Even today it must know that in April-May or a little sooner or a little later under the walls of the Kremlin the "reds" released under amnesty from the prison camps and the "blues" from the same place will earn their "ransom." They will have no "refuseniks," there will be none who are timid. Each has placed his life on the line—freedom or back to the hell of the criminal zone. If there is a person—an article will be found!—everybody who has received amnesty knows this is true.

They will burn and slaughter, take scalps and disembowel people, as in the House of Soviets on 4 October 1993. The reason? Luzhkov will permit Anpilov to hold a rally. Luzhkov will permit the National Liberation Front to picket the Kremlin, etc., etc.

Army, save Russia!

Three months is all the General Staff will need to bring order to the country's economy. It has all the specialists, departments, and administrations needed for this. Three months is all the army will need to bring order into the country, to put an end to the civil war, even that which is blazing in the outlying regions, the mafia, and gangsterism in the cities.

What next? Next—that is no longer a problem for the army, but for the nationally elected Duma. Armies have a task: To pull the cart out of the swamp, to put things on a firm basis—and then back to the barracks. The clock has been set, the time has been checked. The operation against the Russians has entered its final phase....

ZAVTRA Hosts Assembly

944F0548E Vladimir ZAVTRA in Russian No 10,
Mar 94 p 6

[Article by Mikhail Knyazev: "Our Newspaper's Holiday"]

[Text] A view from the spectator hall, row 16, seat 2, 5 March 1994

Prokhanov deserves a vacation.

The titanic work for unifying national forces, the constantly failing attempts to keep all of the largely different leaders in the mainstream of the overall idea, the immense mass of believers and people who cannot believe should have been crowned with a triumph.

Prokhanov should have been able to see this overflowing hall, to hear the approving voices, to rub elbows and backs with those advisers who for a long time supported him just as he supported them in his newspaper.

There were almost no analysts in the hall. They were mainly people who carry on their shoulders the pain and offense to Rus, its traditions and catastrophes. They live in that same "tomorrow" at which the newspaper is aimed, believing in that "tomorrow" and doing everything within their power for it. Attending meetings, burning bonfires in front of the White House, disseminating the newspaper, they give perhaps their last rubles for the holy Russian cause.

This is a spectator hall. The people are ready at the will of the leaders to obey the order, to go, to flee, to shout, or to moan. The people, without whom there are no leaders, on whom the leaders rely, without whom the leaders cannot live. The foremost part of our nation.

The leaders are on the stage.

Anpilov, Konstantinov, Astafyev, Terekhov, Baburin, Pavlov, Zhirinovskiy, Zyuganov.

On the stage are Ilyukhin, Dugin, Penkov, Bondarenko, Chikin, Filatov.

The last six are not leaders themselves. But they are people without whose help and support many of the leaders could not get by. They are people whose advice and actions are necessary, people who are closest, who could independently decide issues within the framework of their authority. Very important leaders of the second level.

All of them spoke.

The main theme of the speeches was not to allow ourselves to be provoked to armed uprisings which are called "civil war." This was discussed by Dugin on the basis of materials from the Spanish press and Ilyukhin after the meeting of Vybros on 2 March.

A peaceful scenario for development is possibly less preferable to the president and his team, but all of his variants have also been played through. And not in our favor.

At first Filatov was struck and then he calmed down. He was struck by the fact that the 220,000 criminals to whom the president gave amnesty make up 10 divisions of his supporters, but he was calmed down by the assurance that a victory would require only one division and only because it would be led by the General Staff.

It is very important to have the support of the creative intelligentsia in art, which is provided by the Russian part of it. This was in the speech by Penkov, an excellent actor and human being.

Terekhov just got out of Lefortovo. He looks tired but ready for more battle.

Anpilov, Konstantinov, and Baburin. What is the behavior this year of the leaders of 1992, when their phrases and slogans were valued?

Zhirinovskiy is sure of himself. Today is not only a holiday for the newspaper, but also a triumph for the opposition who opened the doors to Lefortovo and Sailors' Rest. He in no way diminishes his role in the Duma. He is the only one who supported the State Committee for the State of Emergency. He is the only candidate for president. In general he is a unique individual. He is not a Russian Hitler—"why pin that label on me?" Zhirinovskiy is a candid human being; he has no secrets. He wants to be first, and he tries. But his openness makes him extremely vulnerable.

Mr. Astafyev took advantage of this, teasing Zhirinovskiy a little. Astafyev called for unity. This is not new. A unified front in the Duma, a single president for all to back in the elections. The only thing he did not do was the main thing in such a situation, he did not say: "We have before us the only person I believe in" and

give his name. "I give him my vote and the vote of my party. Lead us!" He also failed to say something else: "I will take full responsibility for the future of Russia. I know not only WHAT, but also HOW to do this for all of us. Entrust your fate to me."

Nobody said that.

The most stirring speech was Nikolay Pavlov's. "We cannot believe the government. They are deceiving us again! They have already outfitted us with our former clothing of a red and brown color! We are again being subjected to the chaos of unemployment and internecine war! We need our own Russian national party!" A person who threw himself under the bullets and APC's. Personally, he is desperately brave. He walks in the vanguard, but he is not a leader.

And, finally, Zyuganov. His stated dream is a coalition government.

I bought two brochures containing his speeches and articles on the way out. "Peace—to the people, the land—to the peasants, the factories—to the workers"—but for today's conditions.

If there is a need we will have to do a detailed critical survey of everything published by Mr. Zyuganov, but what he said on 5 March, in my view, does not answer the question of how to arrive at victory.

They are all patriots. They are all Russians. And the same laws of psychology apply to all of them.

The first who is prepared to give himself for the good of Russia must cease being an egoist. He must take a risk, giving himself and his party to another leader, admit that he is not the only one with correct ideas. He must agree to be the second or third. But how?

Petr turned Russia over to the Romanovs. He went to learn. Nikolay II—to Stolypin. Rozenfeld and Apfelbaum—to Dzhugashvili. There are precedents, and not all unsuccessful ones. If there is no one to whom you can be subordinate and you cannot take the burden on yourself—admit it! That you are weak, that you cannot do it, leave....

The Siberian Petr Romanov in the issue of ZAVTRA printed on the night of 5 March did not say HOW either. But he indicated the bottom line of answers to the question WHAT. I would give exactly the same answer.

HOW—the PEOPLE. How are they to act? How much are they to sleep, how much are they to earn, if they are responsible—for what? Incentives. Which? Measures of encouragement and coercion. Who must work and under what conditions? Who must not impede the work and what should be done with them? Who should be taught what?

I do not have a party. I give myself and everything I am able to do to Petr Romanov. I believe in him and am prepared to share with him both the work and the responsibility for it.

ZAVTRA Interviews Zorkin

944F0575A Vladimir ZAVTRA in Russian No 11, Mar 94 pp 1, 2

[Interview with Valeriy Zorkin by Aleksandr Prokhanov; place and date not given: "Instead of Depression—Will to Action"]

[Text] [Prokhanov] Russia has had so many troubles since we saw each other last summer, so much blood and tears have been shed. Even now there is one alarm signal after another. Entire regions are dying out, every hour thousands of motors are grinding to a halt. The fields have not been planted, the children in certain settlements are eating manufactured concentrated animal feed. How are we to cope with this catastrophe? And in August 1993 again there were rumors of a state of emergency, more use of violence against the people, opposition....

At this crisis moment we signed the declaration "Accord in the Name of Russia"—a kind of broad coalition that unites people with various ideological views and values. You, Valeriy Dmitriyevich, were at the source of the idea, the main initiator of this movement. I signed the document but I still have secret doubts—is it possible to have "Accord in the Name of Russia" under conditions where we, judging from everything, are "rushing" to the peak of a systemic crisis?

[Zorkin] You are right: The crisis is accelerating and at extremely rapid rates. During January and February of this year the decline of industrial production considerably exceeded last year's indicators. Economic, social, and regional antagonisms in the country are being aggravated. One can already say quite definitely that the current higher-ups of the regime do not know exactly what to do. The state power is becoming increasingly ineffective. Therefore certain little groups in the upper echelons are again trying to place their bets on power methods. But that will help the regime now in the same way that it did in October.

In this situation it is no wonder that the declaration "Accord in Name of Russia" was proclaimed. I would even say that it is not only a movement of left-wing forces but a movement of all people of sound mind in our country.

After all, all sober-minded people, regardless of their political differences, understand that there is trouble in the country, and in order to overcome it we need some form of social consolidation. The alternative—civil war—will be suicide. We are suggesting that we conclude a social contract of all those forces for whom the Motherland is an enduring value. We must recognize that perhaps the most dangerous threat of the 20th century

has been hanging over our Motherland. In the face of a threatening catastrophe, political antagonisms and differences must recede into the background. At least for a certain amount of time. In our declaration we have formulated the most important and common goals that both the liberal and the communist, the entrepreneur and the worker really do have in common.

[Prokhanov] Last autumn showed that good intentions can be counteracted by obtuse rigidity and gross military force. And all the perpetrators of the violence in October understood quite well that force in and of itself cannot resolve any contradiction in society, and this was clearly demonstrated after the October events. The crisis was exacerbated.

And again scenarios involving all-out violence are being worked out in the narrow interests of the present regime, whose social base is becoming ever narrower. What prompts your intuition? Is it possible to have a repetition of bloody October of 1993?

[Zorkin] I would say that the October events were the culmination of a clash of two tendencies. One of them was capable of bringing Russia to peace under the condition that we took advantage of the small chance of proceeding step by step to build a foundation that would provide for the rule of justice and law. Nobody can transgress this law. Any violator—from the rank-and-file citizen to the president—would be specifically liable for this.

Another tendency was working against this chance and, although it officially declared the priority of democratic values, it was aimed at establishing absolute rule, a totalitarian regime. They were preparing a scenario that has been played out in Russia's past—both during the past 70 years and even before that, when no law, no rights, and no justice were taken into account. And arbitrary behavior occupied first place in all of this baseness.

These two tendencies were stirred up in October, but it is now clear that they lay considerably deeper and had been manifested repeatedly in the past. Each was defended by people who had their own goals.

Did the people share these so-called "consumer" goals? Great doubts arise here. After all, there is no need to rely on violence if the citizens agree with the ruler.

The people live in peace with their ruler and the ruler with his people when they have a consensus, agreement, a basis of legitimacy. This has been the case in various periods of Russia's history. Even in that peak situation when Minin and Pozharskiy liberated Moscow, national accord was established. And when the great Aleksandr II, the Liberator, began the peasant reforms. He had prepared a platform. Yes, there were those who resisted, there were backlashes, but there were no pogroms or big fires or uprisings or civil wars. And Russia began a great

reform. "Accord in the Name of Russia" is the effort of patriots to overcome the catastrophic course of development.

[Prokhanov] Yes, they were quite special impressions—during those days beginning on 21 September...the candle ends on the deputies' desks, the barbed wire, the barricades made of pipes, the smell of the fabric of soldier's uniforms. The machine gun fire and the explosion. What struck you most at that time?

[Zorkin] People were unable to believe that such a thing could happen. When they started talking in front of this terrible barbed wire, when they began to absorb the information that the president had resorted to the extreme scenario, the members of parliament still could not believe it! Khasbulatov could not believe it. I met with him and I can assure you of this. The people refused to believe it because all of this was beyond the limit. It is one thing to make a political mistake, to show a lack of professionalism, but here everything was accompanied by such terrible cruelty, immorality, corruption....

This was indeed the apogee of the politics of evil. And, moreover, I was shaken by the easy justification of the potentates who committed the gangsterism. Because the people invested them with this very power, the defenseless people trusted them with their souls. And all this was trampled upon....

Before my eyes passed all these gentlemen in a row, court politicians asserting that there simply was no other way in Russia, the president, speaking against the Constitution, was purportedly defending justice...all this left a memorable impression: On the one hand, a lack of acceptance of all this cynicism and immorality, and on the other—dumb amazement: Why is this so, what for?

The question arises: How can we motivate those who do not even know the concept of repentance to return to the law and legal behavior?

I do not think that today we are faced with the dilemma of "adventurism-democracy" at all. That was the way things stood before the October events, when political scientists close to the president told him: "You must switch to authoritarianism as quickly as possible." Now because of the efforts of these "founders" and even practical workers who have armed themselves with these theories, we have ended up in a situation that is considerably worse, from which it will take a very long time to extricate ourselves.

[Prokhanov] After our first meeting I asked myself what kind of political thinking I had encountered in you. I told myself that you were apparently a type of liberal statesman who is absolutely rare in Russian political practice.

What happened in October was, in my view, a surfacing of ancient, morbid political forces linked to the idea of totalitarianism. They pushed through again as water does through delicate crystals of ice, through that brief,

apparently unique, liberal period that began with Gorbachev and lasted through these two "Yeltsin" years, the period that you frequently embody with your way of thinking and ideology.

History, after all, passes through individuals and actions. And the drama of what happened is not just a drama of the destroyed liberal period; it lies elsewhere as well. The Russian national tradition was initially oriented toward the Orthodox monarchic ideal, a kind of authoritarianism ordained by God. This situation was destroyed by the Bolshevik revolution. Another situation appeared—a different authoritarianism that was linked to the idea of the leader, the elimination of all that was mystical and hence justifiably eternal.

The liberal approach in which we have all ended up has destroyed the red-Bolshevik dominant and crushed all the principles by which our nation lived. Now Yeltsin has also destroyed the liberal plan. Throughout this century enormous violence has constantly been committed against the national consciousness. The national archetypes have been turned into trash, to dust. Today the public consciousness, in my opinion, is not capable of any kind of construction. It is impossible to build anything on trash, on powder, on dust. And the drama that occurred, in addition to all the legal, social, moral, and ethical aspects, has this one as well.

[Zorkin] You have touched upon a very important question having to do with the character of power. It seems to me that above all it should be fair and based on that which from ancient times has inhered in Russia, which is called upon to unite freedom and legality. The citizens must finally feel that they are free people, not slaves to a despot, general secretary, or another Boris. But this can be achieved when the primacy of the Constitution is established, when the demandingness of authority is combined with restrictions which are placed on it by the law, that is, the principles of a rule-of-law state are included in the system of social values and we accept them.

First of all let us agree: Do we need order? Or would we live under conditions of arbitrariness, lawlessness, mafia rule, and corruption?... Yet order cannot be effective unless it is accompanied by development and progress. Order and development—join these two words together. But this, in turn, is possible only with the achievement of stability. Any reforms will simply collapse under the conditions of the present chaos and arbitrariness. What kind of entrepreneur is prepared to anticipate or guarantee anything today if he does not know what could happen in the country in a couple of months? That same entrepreneur of ours, as sociologists from legal protection institutions assert, will "fork over" to bureaucrats approximately four times more than the mafia structures will. All this is a cancer that is afflicting society. But why is it growing? Because we have neither order nor stability.

And with all the loud declarations of our intention to fight crime, with all the bloody shooting up of parliament, also under the guise of striving for order, we are actually being thrust into anarchy and chaos. And the authorities are undermining themselves because stability in society can be provided only by relying on law and legality. And authorities who resort to unconstitutional measures for the sake of immediate political advantage will become ineffective in the future. Can they really introduce order into the country if they themselves are professing the principle of grabbing as much as they can and taking advantage of force and lawlessness? Such authority dooms itself to inevitable failure, and society—to chaos.

Let us begin with the extremely important question of relations between the center and the regions. We live in a federative state—we must take this into account! After all, since ancient times the monarch has taken action when the territories resisted. But here, conversely, the territories said on 18 September: We are in favor of order, in favor of stability, Boris Nikolayevich. And on 21 September he began these misdeeds and then brushed aside the Soviet of the Federation, which for a month before that had been set against the Supreme Soviet.

What is this? Friends, do I like it when everyone around me is trembling and at each other's throats? That is what happened. There was squabbling everywhere: the regions with the parliament and with one another, and the executive chief with the chiefs of the legislative power. Will this not actually lead us away from order and stability?

Essentially we have had no transformations. Public wealth is being plundered under their guise. And instead of systematizing and applying everything positive in the world for changing from a centralized system to new principles and giving people incentive to work, everything is being done to extinguish these incentives.

First we devalued the investments, thus eliminating potential small and medium-sized property owners who, on the basis of cooperation, could have bought bakeries, small productions, shops, etc., and could have created labor joint-stock companies.

Then they began to "give away" all the enterprises according to the mafia-bureaucrat principle. For instance, in Omsk or some other city immense plants are being sold to people at a symbolic residual cost. The next day the new owners issue stocks and the prices of them are immediately raised to the real market prices. A gang of people get fat at state expense this way. And this is called transformation? Why did they not take advantage of the experience of Spain or America or even our home-grown communal principles?

If the labor collective itself owns the enterprise and if the worker is no longer hired but is part owner, he will work quite differently. It has turned out this way for us: People's psychology regarding work has not changed—we have the same nihilism, the same alienation, although

we have a different owner; the private property owner has taken the place of the state.

For me the main thing is this: Regardless of what method of privatization may be applied, it is necessary for the people to become the owners. Otherwise after a certain amount of time we will inevitably arrive at a point where things are divided up once again.

In order for the people to enter this new economy, the underprivileged strata must definitely have insurance. Here again it is impossible to avoid assigning the state an immense social-regulatory role. But our levers and incentives are first weakened and then restored again in a new mafia-criminal form—they intervene, they redistribute, and they direct....

We must get away from the past, but not to a new disgrace but to a normal, healthy, regulated economy that benefits the workers. I think the owners of capital are interested in this as well. They do not want to be protected by barbed wire or defended with automatic weapons from the furious crowd.

But what has the government done? Instead of taking this reasonable path, it has used force to impose its own version of shock therapy, and now they are saying that it is not over yet. No, it was not carried out fully, but its elements were launched in the most primitive and egregiously criminal form. As a result, we ended up with a gang of rich people, and instead of a middle class the foundations for democracy and rule of law are made up of an impoverished crowd. The people have simply been deceived!

The main point of the transformations is justice. If certain people take but they do not give to others and those that have even take away more—this is highway robbery. Justice and truth are not simply words, they are not simply our age-old Russian values. They contain something like what issues from universal reason. Because if values are rejected and society is divided into thieves and those who are robbed, it will ultimately fall apart.

I think that this is the main lesson we must draw from the October tragedy. And if the ship of immense Russia is to be led further along the path of this narrow-minded, egoistic understanding of privatization or if it follows instructions from the West, we will end up with a country of beggars, a desert country. It will become a foreign colony, a region for labor therapy.

[Prokhanov] We have just experienced the most severe structural crisis in which the political machine in the form of the Supreme Soviet was broken. Speaking metaphorically, destructive energies were introduced into it and it exploded from within. Some different kind of mechanism is being created now. What is this, this new Constitution?

[Zorkin] The process is contradictory. In order to understand we must turn to the past, to what we have lost. We

had the rudiments of real transformations and there was the sense that step by step we could arrive at democratic transformations, at an adjusted course in the economy.

But when the people in power got a sense of this, what did they start saying? That the Constitution was Brezhnevian and all our institutions were obsolete. This was out-and-out deception. The Constitution was changed radically in April 1992 and all the institutions were adapted to the new conditions. But the tendencies that were developing did not favor the absolutism of the executive power.

The social problems have been aggravated. Mafia and criminal elements have developed to such a point that they have actually buried the hope of any law and order under the people who are now in power. There has been further degradation of the culture and the moral condition of society.

There has arisen the question of how we can escape from this systemic crisis. It was possible on the basis of consensus and accord, not some spineless compromise but a real one accepted by society in order to escape from a condition verging on civil war. Instead of this, they began to use force to impose their own position, which actually led to the collapse of the state—economic ties were broken and disintegration gripped not only the nearby foreign countries but also the Russian regions. Transformed into a minority and defending previous catchwords, they were simply forced to destroy even the fragile chances of democracy and to switch openly to totalitarianism.

But what next? To say that there will be another upheaval like the one in October—these are all conventionalities. But still we can escape this possible bloody future if society recognizes that the authorities have deceived and betrayed the people and that it is necessary to consolidate in order to emerge from the crisis peacefully. But look at what is happening. Today the ruling regime is again dressing itself up in foreign clothing and raising a foreign flag. During 1990-1992 they dressed themselves up as democrats even though they had nothing in common with them. Now they are dressing in the clothing of patriots, centrists, and statesmen, that is, they have seized upon ideas that quite recently they called fascist. When they understood from the results of the election that the people were in favor of these ideas in a healthy, reasonable version, they immediately decided to change colors. But what about their insides? In general do they understand the essence of what is involved with the Motherland and patriotism?

In October our society experienced a shock, there was a rebellion. As long as the people's soul is alive, it will never put up with the situation, it will gather its forces and consolidate. And if the regime does not degenerate, it will prepare for this national action. These signs are in evidence: They are apparent above all in the reorganizations in the power structures making them directly subordinate to the president.

Of course, the crisis will also develop further. And the task is for all positive forces that do not want the destruction of the society to consolidate. Which forces? All those that are in favor of preserving the Motherland—that immense state, not some monster, but a state as a living organism. I think that these positive forces will include not only the dissatisfied masses but, for instance, entrepreneurs as well. For the present entrepreneurship under conditions of a thoroughly corrupt mafia regime is simply impossible. Only criminal economic activity can succeed.

All this is objectively leading to a situation where unless consolidating forces arise, this regime will fall. But the problem is to make sure that all this occurs in a more or less civilized framework. All this must not be overcome by crude force or universal war. The task is to restore constitutional order and stability and to make real transformations with the least possible losses. If these positive forces are consolidated, we will be able to hope for a successful solution to the crisis. But we must not forget that during 3-4 October with the firing of weapons against parliament a crude force was placed on the political scene, the road was opened up to it. And if we do not conduct a maneuver, if we do not restore the constitutional system, I do not think we can rule out the possibility of military coups.

[Prokhanov] This idea of consolidation is at large in society. And the question of how to unite power with justice, law, and the Constitution, of course, is one of the most crucial ones today. If it were possible to have a broad coalition of all who are in favor of such immediate strategic goals as restoration of constitutional order and transformations on the basis of stability and justice, I think it would be possible to escape all this hell.

[Zorkin] Such a coalition cannot exist today unless it becomes a coalition of all the people, a kind of popular agreement. There can be various paths to it, but it absolutely must be based on all the strata, classes, and structures—entrepreneurs and workers and cultural figures and the church etc.

We are speaking not simply about economic reform but about rescuing civilization in that space that is called Russia. Therefore this must be not a party but a kind of popular congress based on general agreement, above all spiritual. Unification into a coalition has a specific purpose—to change the regime. Then, after that purpose is accomplished, secondary interests will appear, various ones, and pluralism will arise. Society must have various interests, they must compete, and there must be a certain amount of struggle, for otherwise there will be stagnation and a swamp. But it must be carried out according to certain rules.

A two-party system corresponds to the natural physical bipolar model, to symmetry, and the Americans, for example, have simply intuitively adapted it to political life. Or we can make sure that those who oppose this coalition are transformed into a civilized opposition.

Yeltsin's problem is that he is striving for autocracy and he should have provided for an effective two-power system. For is it not understandable that from the very beginning it was necessary to support the construction of a strong presidency and a strong parliament? This was the guarantee of preservation not only of the Russian political organism but also the presidency as an institution. The gunfire directed at parliament certainly did not make the president strong. On the contrary, he became extremely vulnerable. Tomorrow force could be used to eliminate not only the president but also the institution itself. And the where will they look for a legal mechanism to protect them?...

What will the general agreement consist of? Unless we are aware that, for example, miners cannot receive normal wages while the entire organism is sick, nothing that makes sense will obtain. The upper echelons are manipulating: Today they give something to the miners, tomorrow—to the teachers, next—to the newspaper workers. But we need an entirely different system of coordinates: A society in which miners and engineers and entrepreneurs and teachers will all live well.

We must also recognize that Russia is a unified living organism. If the regions are concerned only about seizing as much sovereignty as possible or finding a special entry into the halls of centralized power and gaining credit—this is fatal too. This can work from time to time, but then it will fail nonetheless. We need a new federalism.

In a word, a renewed Russia—this is what the coalition must rally around, what we have been discussing, what we have called "Accord in the Name of Russia."

[Prokhanov] You speak about the possibility of moral and political resistance. But for now everything is in the hands of the present power: means of suppression, intelligence, finances....

At the same time during the past five years of confrontation society has been restructured—at the psychological, social, the most fundamental level. And to come together and smoke the peace pipe once again will require colossal efforts—moral, philosophical, perhaps efforts of some group of irreproachable, respected people in society who could unite the un-uniteable. How are we to overcome this social dissension?

[Zorkin] Yes, it is difficult to do, but what are we talking about? We are giving a diagnosis: If we cross over this last threshold we will die. We must arouse in ourselves an ability to understand the rational, if you will, an instinct for self-preservation. For example, I have no problem engaging in dialogue even with people I do not like, who have ended up in the other camp. If we agree not to allow the collapse, the death of Russia, we must pass over emotions, antipathies, and mistrust for the sake of general survival. I hope that the majority of people are prepared for this.

Of course the coalition must not be merely an abstraction: People say, let us create a program and we do not

need power. I think we have already passed this stage. It must be prepared to take responsibility on itself: to adjust the course, to earmark a strict transition period, both in the sense of demandingness and in the sense of clearly worked-out stages and deadlines. If we come to power as Gaydar did—transformations are needed; let us give freedom to the market—the same thing will happen, that is, nothing specific and tested, and it is better not to take up the cause at all.

I think the people must respond to conviction, professionalism, honesty, and devotion to justice. Because if this coalition of intellectuals, pragmatists, and practical workers intends to change our present course and do it without truth—that is all, they are defeated. The truth is needed so that people will believe. And this is precisely where we must begin.

Here is a team that is suggesting to all of us citizens of Russia that we take our destiny into our hands. That we not place our hopes in mythical help from abroad, in another leader-savior, in the idea that suddenly everything will work out of its own accord, but try ourselves to drag the country out of this quagmire. We are uniting so that the force that strengthened the present power during 3-4 October will not be used for general destruction but will be used for something else. Against what will the first drive of our struggle be directed? Against everything criminal in society. Unless we do this, no transformations will help, because criminals in power, in the economy or in any other sphere, will always act in a criminal way.

The question arises: How can we overcome everything that is criminal that has become so terribly overgrown in our society? We need a very strong, I would say, strict power that is based on the law. But the law in this case must be an absolute expression of the principle of justice, that is, it must stand on the side of the people, statehood, and Russia.

Power and the law can be used for good only if they are not used to satisfy personal ambitions to provide personal well-being. As soon as the struggle begins, the devilish elements will be on the watch. When I say that we need truth, this means not only to pronounce it. After all, we have seen how those who gave the commands on 3-4 October suddenly started talking about saving the people, about patriotism, and even about accord.

[Prokhanov] I recall a theory developed by one noble professor, an old man who had been wounded in battle. He divides human types into two categories: rulers and harmonizers. They are distributed in all spheres of life.

The ruler is the person who wields power in the state, the family, the design bureau, or production in order to savor it, to experience it, to enjoy it, to use it for his own good. The result is almost always the same—destruction and impoverishment. He exploits the environment and leads it to disaster, conflicts, wars, repressions, and ultimately degradation.

But the harmonizer is a special person of a religious disposition. When he ends up on the throne or at the head of a family or in a garrison or the environment is entrusted to him, he enriches it, brings it to prosperity, even in war he preserves and minimizes losses. By nature this is the pastor, the tiller of the fields. This is Marcus Aurelius, this is Tsar Aleksey Mikhaylovich...these two types have figured very frequently in Russian history and they are noted in religious and philosophical thought.

But now that we have experienced this period of obvious rulers for whom power is a goal in itself and its achievement can threaten the nation and the state with collapse, self-destruction, apparently the time has come for the other type of leaders. God forbid that this regime be replaced by another one headed by a general with a thick skull and the enormous fists of a paratrooper. In fact Russia is waiting for a harmonizer. And this does not mean that in the period of restoration, which will be severe and demand sacrifices, that this new leader will be soft, vapid, and blissful. No, he will be very firm, but he must embody that super-task of the harmonizer, the savior, the healer.

How do you envision the typological features of the future leader? What qualities must he have?

[Zorkin] It seems to me that he must combine several extremely important qualities. First, I agree with you, he must not come to power for its own sake. They say that such negative qualities can be registered on modern lie detectors. But I think the Russian political elite, when it was viable and led the country to greater heights, conducted that kind of testing of leaders.

Just take the election of Mikhail Romanov. There is the opinion that he was a weak ruler. But in that stage, when Russia was fragmented, dispersed, when every local ruler was laying claim to higher power, who was needed? A unifier. He could not lay claim to very much, but had to listen to opinions, be able to get everyone to sit down at a roundtable, as we say today, and say: Let us decide—either we die or this is the first rule of behavior, this is the second, this is the third....

Figuratively speaking, it goes like this: Since we are all in the same boat, let us agree to row in the same direction, nobody has the right to stand up, to go wherever he wants to, or hit his partner on the head with the chess board because he has put him in checkmate. The modern leader must have a sense of what unites people, he must comprehend the ultimate task of the time.

His second quality is the will and resolve to carry out this task. For instance, Andropov. He by nature seemed to be soft, in general he reminded one of a professor: He had such a calm look in his eye. That is the impression I got of him. And it seems to me that when he was in power decisions were made in this same intelligent manner. But he had an immense will.

Third—a leader must be in tune with the people. People must understand that this person has taken on the

burden of power not out of selfish motivations: He lives and makes decisions in the name of some higher goals.

Why did Yeltsin come to power? He was perceived as one of our own. Why was he not perceived like Ryzhkov? I communicate with him—I assure you that he is an excellent person. But people did not know him well and after he raised the price of bread—quite insignificantly by today's standards—his enemies skillfully took advantage of this and turned him into an alien who wanted to multiply the people's unhappiness. And then there appeared a person who said: "People, I know your needs. I know that you are not driving Mercedes but Moskviches—I entered the Kremlin in a Moskvich. The majority of you ride buses, and I also ride with you. I know that you want peace, confidence in the future, and no waiting lines."

The next extremely important quality is uniqueness. A leader without an idea is nothing. Therefore any elite strives to put forth a leader with his own image and ideas, or at least they create such an appearance for him. All this is because the calling of the leader is to take people forward. He must have professionalism, he must be able to anticipate and calculate his steps. If he has said that by autumn he will achieve such and such, he must do it.

[Prokhanov] But then there is another quality that has been implied in all of your postulates. The leader is in tune not only with the times and the nation, but also with what we have become accustomed to calling the spheres. He must be fully in tune with Providence and understand that he was called at a tragic moment for his Motherland as a person who has been entrusted by fate to save the country from disaster. This sense of purpose, this absolute harmony with the historical and divine has made great Russian people real popular leaders. They were not simply politicians singled out by the elite, generated by civil wars and strife. They were spiritual personalities....

[Zorkin] I do not know whether they felt this themselves but they were definitely in tune with the people. The leader and the group of people around him virtually led everyone forward so that instead of depression there was hope, a general will for action. This heroic conduct has always been based on spirituality and morality. I am convinced that if base material interests rule the person, he is not capable of contributing to the development of society. A noble idea moves the leader. In this sense I agree: This could be called a sign from the heavens.

REGIONAL AFFAIRS

State Duma Official on Local Government System

944F0573A Moscow ROSSIYA in Russian No 12,
30 Mar 94 pp 1, 2

[Interview with Anatoliy Sliva, chairman of the State Duma Committee for Issues of Local Self-Government,

by Yuriy Kozlov, under the rubric "From the Horse's Mouth"; place and date not given: "The Devil's Little Ones"]

[Text] [Kozlov] Anatoliy Yakovlevich, is it possible to consider that a full-fledged system of local self-government has evolved and is in operation in Russia at present?

[Sliva] This year Russia will celebrate the 130th anniversary of the movement toward local self-government. In 1864, three years after the abolition of serfdom, the Zemstvo Reform was implemented, and subsequently the City Reform also began in Russia, that is to say, two branches of local self-government began to develop. Later came October 1917 and Soviet power. Only in 1989 did the train of local self-government, which, shall we say, had been shunted onto the "side track," begin to move further with friction. We traveled through a few "stations": the Union and Russian laws on local self-government, and edicts of the president on reform of local self-government which put an end to the operation of soviets. At present, local self-government in Russia is in a unique situation: In the Constitution the rights of the local organs of power have been worded and codified at the level of the most exacting world standards, whereas legislation in effect, edicts, various decisions, and executive acts have come to clearly contradict the Constitution.

[Kozlov] What are these standards according to the Constitution?

[Sliva] The power of communities of citizens of urban and rural localities is recognized to be natural. Local self-government exercises full rights in resolving issues of local significance. Ownership, use, and management of municipal property by local self-government are guaranteed. Local self-government should have its own budget; its right to municipal land is also proclaimed. The structure of the organs of local self-government is determined by the population itself. Residents themselves will resolve whether the mayor, town governor, or settlement administrator is to be or not to be. The Constitution says: Self-government shall be performed through elected organs. Representative organs are at issue, but heads of local self-government may also be elected.

[Kozlov] In this case, what is the reason for the continuously developing conflicts between the executive authorities of components of the Federation and urban self-government? Let us look, for example, at the scandal in Nizhniy Novgorod. Mayor of Nizhniy Novgorod Dmitriy Bednyakov stated live on the air that oblast Governor Boris Nemtsov intends to find a way to have him removed from his position by an edict of the president.

[Sliva] The Constitution says clearly that the organs of local self-government do not belong to the system of state power. They may not belong to the system, but state functions are assigned to them through dozens of laws, edicts, and executive acts. Conflicts frequently develop

over local budgets. Continuous redistribution of financial funds is underway. Decisions are made at the level of components of the Federation, including those on finance, which the local organs are instructed to carry out immediately. This is not just unconstitutional; this results in social tensions locally.

[Kozlov] And what if the local authorities do not intend to obey the dictate?

[Sliva] There is the tiny town of Shlisselburg in Leningrad Oblast. Last Sunday mayoral elections were held there. There were six candidates. A worthy candidate, Svetlana Yurkova, who got 42 percent of the votes of those turning out for the elections, came in first in a most stubborn struggle. The nearest competitor trailed her by 20 points. What did the electoral commission do the following day? It did not qualify Yurkova for the next round! Their motives? They said that on the same day she was elected a deputy of the Legislative Assembly of Leningrad Oblast. This, allegedly, was incompatible. This decision was completely unlawful. Incidentally, in Shlisselburg 50 percent turned out for the elections, whereas in the oblast on the average—29 percent of voters. So, the struggle over local self-government is unfolding not only in Nizhny Novgorod. Budgets have been taken away from many cities, including oblast seats. The head of an oblast or kray administration single-handedly deprives the population of a city of the status of local self-government. Local self-government has been liquidated in cities dating back 500 to 700 years! The Constitutional Court is not in operation; the procuracy organs are silent, while "telephone law" continues to apply just as it did.... Meanwhile, this should provide grounds for notorious court proceedings to resonate throughout Russia! All of this is happening notwithstanding the constitutional requirement to structure local self-government with historic traditions taken into account. Is this supposed to be a new historic tradition? Cities are demanding the natural rights that are constitutionally codified as theirs. Governors and heads of oblast and kray administrations treat the local organs of power far more sternly than the center treated components of the Federation at one time. There is a paraphrased saying: "The devil is not as horrible as his...little ones." Somehow, these "little ones," who are ensconced in lofty seats, have suddenly forgotten that local self-government is the root system of democracy. By restricting local self-government, the "little ones" are signing their own death warrant as politicians. If there is no local self-government, there will be no real democracy; moreover, there will be no real federalism and real rights of components of the Federation. Today they turn the screw on those who are under them; tomorrow, those who are above them will turn the screw on them. I repeat tirelessly that a dictatorship—regardless of its specific form—is a social system for beggars; self-government is one for affluent people owning property, those who are responsible and law-abiding. Only with such people may reform be advanced. Failing to understand this means failing to understand why reforms are actually being

carried out in the country. After all, this is not for the sake of the personal power of some heads of oblast administrations or governors.

[Kozlov] As you see it, what is to be done, after all, about mayors or, as the edict of the president calls them, "heads of local self-governments?" Are they to be elected or appointed along the vertical chain of command?

[Sliva] The Constitution specifically disallows appointment practices. Although it is not fashionable at present, I will recall this: The fundamentals of democracy are violated by the bid of the center to appoint or confirm local authorities. Lenin said this in June 1917 at the First All-Russian Congress of Soviets. The correct answer to the simple problem of whether "to elect or not to elect the head of the local administration" is not to appoint. Incidentally, the Constitution does not allow for appointing governors, either. At present, we are at a transitional stage: There are both elected and appointed heads. In the event a vacancy occurs, the issue should either be resolved by way of a direct election or the head should be elected by the local representative organ. It is at the very least unwise to frustrate elections, to interfere with them, or to strive to appoint the person needed at any price.

[Kozlov] Does the State Duma Committee for Issues of Local Self-Government have an opportunity to influence the situation at least somewhat?

[Sliva] I believe it does. The president has instructed the government, the State-Law Directorate, and his Administration to bring all previously issued edicts, decisions of the government, and so on into compliance with the Constitution within one month. Instructions have been given. Let us hope that they will be carried out.

Supreme Soviet Session Debates 1994 Budget
944F0601A Kazan IZVESTIYA TATARSTANA
in Russian 20 Apr 94 p 1

[Official Announcement of Press Office of the Supreme Soviet of the Republic of Tatarstan]

[Text] Sitzings of the Republic of Tatarstan Supreme Soviet 19th Session were held on 19 April. Consideration of the budget message of the president of Tatarstan for 1994 was continued.

Deputy Prime Minister R. Muratov responded to the deputies' questions on the government account of the expenditure of currency funds received from the republic's foreign economic activity and the forecast of the receipt of foreign currency in 1994. A supporting report on the draft budget was delivered by G. Kobelev, chairman of the Supreme Soviet Planning and Budget-Finance Commission.

The deputies F. Bayramova, V. Mustafin, O. Yermakova, A. Vladimirov, M. Kutuzov, V. Ivanov, M. Shaykhiyev, A. Kolesnik, A. Vasilyev, M. Agliullin, R.

Valeyev, B. Leushin, K. Rakhmatullin, D. Fomin, V. Shirokikh, Z. Latypov, A. Yefremov, R. Zarilov, A. Shtanin, I. Salakhov, and I. Mustafin spoke in the debate on the issue under discussion. Concluding remarks were then presented by F. Khamidullin and R. Muratov, deputy prime ministers, and Finance Minister D. Nagumanov. Prime Minister M. Sabirov's speech was devoted to problems of realization of the budget and ways of extricating the economy from the crisis.

Consideration of the question of the budget message of the president of the Republic of Tatarstan for 1994 will continue on 20 April.

The Supreme Soviet elected N. Khayertdinov justice of the Supreme Court of the Republic of Tatarstan, confirmed M. Garayev as chairman of Kazan's Sovetskiy Rayon Court, and elected the justices of a number of municipal and district courts of the republic.

M. Shaymiyev, president of Tatarstan, took part in the session. The sittings were chaired by Supreme Soviet Chairman F. Mukhametshin.

Tatar Party on Socioeconomic Situation

944F0601B Kazan IZVESTIYA TATARSTANA
in Russian 20 Apr 94 p 1

[Statement of the Tatarstan Unity and Progress Party: "The Socioeconomic Situation in the Republic of Tatarstan"]

[Text] Following the signing of the treaty between Tatarstan and Russia, the question of reform of the economy is moving toward the center of political processes. Considering the intensification of the crisis trends in the republic's economy (the slump in production, growth of nonpayments, deterioration in society's living standard, and so forth), the party, abiding by its program, deems it necessary to state the following:

For a strengthening of the economic security of the republic and a way out of the crisis a new economic policy in practice, not in words, is essential. This policy should include the following directions:

a structural reorganization of industry, including a solution of the problems of conversion and the development of high technology;

regulation of prices, pay, and tariffs, primarily in the base sectors;

an adjustment of the privatization program for the defense of the interests of the population of the republic;

an improvement in the banking and financial systems;

the formulation of a fiscal and tax policy stimulating production and an inflow of capital, with regard to the republic's obligations ensuing from the treaty with the Russian Federation;

reform of the state organs of administration;

the formulation of an effective social policy.

The party believes that the economic reforms should be accompanied by the continued democratization of society, including the assurance, in accordance with the Constitution of the Republic of Tatarstan, of the rights and responsibility of local government. Democratization also demands economic support of the press which guarantees its independence in the expression of the interests of the civil society.

[Signed] Political Council of the Tatarstan Unity and Progress Party

Edict on Public Law, Analytical Controls

944F0588A Kazan IZVESTIYA TATARSTANA
in Russian 16 Apr 94 p 1

["Edict of the President of the Republic of Tatarstan: On the Formation of a Department of Public Law and Analysis Center Under the President of the Republic of Tatarstan"]

[Text] 1. To convert the Legal Department of the Office of the President of the Republic of Tatarstan into the Department of Public Law of the President of the Republic of Tatarstan.

2. To form an Analysis Center under the president of the Republic of Tatarstan.

3. To confirm the Statute on the Department of Public Law of the President of the Republic of Tatarstan (appended).

4. The leader of the Office of the President of the Republic of Tatarstan shall within a week's time submit proposals pertaining to the structure and prescribed size of the subdivisions which are created within the established wage fund with regard to the abolition of the positions of presidential advisers and other branches of the office.

5. The Department of Public Law of the President of the Republic of Tatarstan shall submit proposals on revisions to enactments of the president of the Republic of Tatarstan in connection with the adoption of this edict.

[Signed] M. Shaymiyev, president of the Republic of Tatarstan txt2
The Kremlin, Kazan txt2
14 April 1994

Edict Creates Commission on Pardon Issues

944F0588B Kazan IZVESTIYA TATARSTANA
in Russian 16 Apr 94 p 1

["Edict of the President of the Republic of Tatarstan: On Formation of an Appeals Commission Under the President of the Republic of Tatarstan"]

[Text] For realization of the provisions of clause 15 of Article 111 of the Constitution of the Republic of

Tatarstan and clause 5 of Article 2 of the Treaty of the Russian Federation and the Republic of Tatarstan "Delineation of Terms of Reference and the Mutual Delegation of Authority Between the Organs of State Power of the Russian Federation and the Organs of State Power of the Republic of Tatarstan" I resolve:

1. To form an Appeals Commission under the president of the Republic of Tatarstan composed of:

Commission chairman

Albert Mikhaylovich Salabayev, minister of justice of the Republic of Tatarstan

Commission members

Vera Aleksandrovna Bogovarova, first deputy minister of public education of the Republic of Tatarstan;

Rashit Gayazovich Vagizov, chairman of the Standing Commission of the Supreme Soviet of the Republic of Tatarstan for Legality, Law and Order, Human Rights, and Privileges (subject to agreement);

Iskander Galimzyanovich Galimov, minister of internal affairs of the Republic of Tatarstan;

Khakim Khayrulloevich Kalimullin, chairman of Rybnoslobodskiy Rayon's Kama Kolkhoz;

Sergey Ivanovich Kirilov, deputy prime minister of the Republic of Tatarstan;

Aleksandr Pavlovich Lozovoy, deputy chairman of the Supreme Soviet of the Republic of Tatarstan (subject to agreement);

Viktor Pavlovich Malkov, professor, head of a department of the Law Faculty of Kazan State University;

Tufan Abdullovich Minnullin, writer;

Vener Asylgareyevich Salimov, chairman of the Committee for State Security of the Republic of Tatarstan;

Raisa Abdullovna Sakhiyeva, chief of the Department of Public Law of the President of the Republic of Tatarstan;

Roza Rakhmatullovna Tufitullova, chief editor of the journal SYUYUMBIK.

2. To confirm:

The Statute on the Procedure of the Granting of a Pardon and the Consideration by the President of the Republic of Tatarstan of Petitions for a Pardon (Appendix 1);

The Statute on the Appeals Commission Under the President of the Republic of Tatarstan (Appendix 2).

3. That the chairman of the Supreme Court of the Republic of Tatarstan, the prosecutor of the Republic of Tatarstan, the minister of internal affairs of the Republic of Tatarstan, the minister of justice of the Republic of Tatarstan, and the chairman of the Committee for State

Security of the Republic of Tatarstan shall determine the procedure of the presentation to the president of the Republic of Tatarstan of material pertaining to petitions for a pardon.

4. The edict will take effect on the day of publication.

[Signed] M. Shaymiyev, president of the Republic of Tatarstan txt2

The Kremlin, Kazan txt2

14 April 1994

Edict Appoints Drozhzhanovskiy Admin Chief

944F0588C Kazan IZVESTIYA TATARSTANA
in Russian 16 Apr 94 p 1

["Edict of the President of the Republic of Tatarstan: On Appointment of Comrade R.Kh. Khayrullin Head of the Administration of Drozhzhanovskiy Rayon of the Republic of Tatarstan"]

[Text] To appoint Comrade Rakhimzyan Khayernasovich Khayrullin chief of the administration of Drozhzhanovskiy Rayon of the Republic of Tatarstan as of 15 April 1994.

[Signed] M. Shaymiyev, president of the Republic of Tatarstan txt2

The Kremlin, Kazan txt2

15 April 1994

Rakhimzyan Khayernasovich Khayrullin was born in 1938. A native of Drozhzhanovskiy Rayon. He is a graduate of the Kazan Agricultural Institute, a trained agronomist by specialty.

He began his career at the Drozhzhanovskiy Rayon newspaper. From 1960 through 1983 he worked in this rayon in party and soviet authorities. He then worked for more than 10 years in Nizhnekamskiy Rayon as chief of the Agricultural Administration and first deputy chairman of the rayon soviet executive committee, and as of 1992, as director of the Shinnik Sovkhoz of the Nizhnekamskshina Production Association.

By an edict of the president of the Republic of Tatarstan Shafkat Mukhamatshayevich Akhmadishin was relieved of his duties as chief of the administration of Drozhzhanovskiy Rayon of the Republic of Tatarstan in connection with his transfer to another position as of 15 April 1994.

Tatar Union Leader Interview

944F0583A Kazan KAZANSKIYE VEDOMOSTI
in Russian 15 Apr 94 p 3

[Interview with Farida Gaynullina, chairman of the Tatar Republic Trade Union Council, by M. Ibragimov; place and date not given: "Who Needs Trade Unions? The Opinion of Chairman of the Tatar Republic Trade Union Council Farida Gaynullina"]

[Text] [Ibragimov] The fourth agreement between the Trade Union Council of the republic, the Cabinet of Ministers, and the Association of State Enterprises of the republic was signed recently. Is the current agreement fundamentally different from previous ones?

[Gaynullina] The range of coverage of problems reflected in agreements keeps growing and getting more specific year by year. For example, this year the consumer budget became 1,200 rubles [R] weightier. We succeeded in incorporating the services of baths and laundry facilities in it. A notion such as the price of unskilled labor appeared in the law on the minimum wage; this makes it possible to set the rate of Category I above the minimum wage. It is envisioned to ensure social protection for young people, women, and working people in certain sectors (the agro-industrial complex, the military-industrial complex, the sphere financed from the budget), and to reinforce and develop a system for amelioration of the law which would bring together various regulatory provisions touching on the rights of the people.

The second reason is found in the area of politics: There have been attempts to belittle our role in society. The situation is exacerbated by the fact that in the process of privatization, some employers try to reduce our rights in the collectives to zero. All this prompts us to look for a legal avenue of protection.

[Ibragimov] Perhaps the law did not have only supporters?

[Gaynullina] No intense opponents came along. However, we had to fight for certain articles. For example, one article was not received well: there was a lack of understanding on the part of some deputies, associated with registration. Various norms are codified with regard to public organizations. According to some proposals, registration is not envisioned, whereas according to others it is mandatory. Registration of trade unions is forbidden according to international norms and legislation in effect.

There are various versions. We propose to submit copies of the charter documentation as a notice.

[Ibragimov] Does the new draft law include the right to form independent trade unions?

[Gaynullina] I think this is behind us. To be sure, there is the Yedineniye in Chelny which has about 1,500 members in its ranks. However, such a right is included; various principles of trade union formation are envisioned.

[Ibragimov] As you see it, what are the drawbacks of the new law?

[Gaynullina] I do not at all think that the law is perfect. At present, it is being revised by a Supreme Soviet commission for acceptance in the second reading. This will be the law of the transition period, and it reflects today's realities.

[Ibragimov] Despite all the difficulties, the number of nonstate enterprises is increasing. It is common knowledge that they do not have trade unions.

[Gaynullina] Moreover, giving up trade union membership is, unfortunately, one of the conditions for hiring at some commercial enterprises. People are deprived of the right to protect their interests before the employer. We have already encountered such complaints in conjunction with illegal dismissals. We had to interfere for purely humane considerations. Women end up being deprived of their rights more often. There have been cases of work-related accidents, even fatalities. A certain amount of arbitrariness is felt. This issue was considered specifically at a recent plenum of the republic council devoted to occupational safety.

Taking advantage of this occasion, I call on the employees of commercial enterprises to unite—it is easier to protect your rights in this way.

[Ibragimov] Many people are criticizing the policy of privatization pursued in the city and the republic. Thus, recently the sociopolitical movement "Economic Breakthrough—Third Force" (for now, the only one to do so) expressed its opposition to the privatization program by way of putting leaflets on the stairways of houses. What is the position of trade unions on this issue? As I see it, this is something that merits consideration.

[Gaynullina] Unfortunately it is impossible to think up an ideal version. Procedures for the privatization of housing contain elements of social injustice. Some have managed to obtain free housing while others have not. At present, the social norm comes to 16.2 square meters of housing per capita. It would be fairer if an additional fee to benefit those who do not have housing were collected when floor space above the established norm is privatized.

Procedures for the privatization of enterprises on the first model also cause some concern; to my mind, they encroach upon the economic interests of labor collectives. However, we should also be mindful of employees in the sector financed from the budget.

[Ibragimov] There has been talk in the corridors of power about providing compensation payments for employees of enterprises who are forced to work short work days or weeks.

[Gaynullina] The draft decree is ready. We have familiarized ourselves with it and made our proposals. A source of funding has also been found: For the most part, compensation to those putting in short work weeks will be paid out of the employment fund, and partially from the republic budget.

We think that the decree will be signed shortly.

Tatarstan Computer Deal Signed

944F0583B Kazan IZVESTIYA TATARSTANA
in Russian 15 Apr 94 p 1

[Interview with Stewart M. Thompson, chief of the ICL representative office in Russia and the CIS, by Zhanna Khidiyatullina; place and date not given: "ICL Is Together With the Government of Tatarstan"]

[Text] ICL is the first large Western company that has resolved to make a major investment in the economy of Tatarstan. It is a computer company with the second largest volume of profits in the world. ICL was formed in 1968 by a merger of several companies. However, it became truly competitive and came to possess state-of-the-art technologies 12 years ago when a contract was signed with the Japanese company Fujitsu, which now owns 80 percent of ICL stock. The company employs 24,000 people in 80 countries of the world. ICL consists of 26 autonomous divisions or production facilities which operate under general leadership on an integrated plan, implementing a common strategy.

A correspondent of the TATAR-INFORM information agency asked Stewart M. Thompson, chief of the ICL representative office in Russia and the CIS, to discuss prospects for cooperation between ICL and Tatarstan.

[Khidiyatullina] When talks began in Tatarstan last year about transforming the ICL-KPOVS joint venture into a joint-stock company with the participation of the Government of Tatarstan, this news surprised many people. Whose initiative was it?

[Thompson] Our joint venture feels quite confident in Kazan. As recently as a year ago we were not planning any radical changes. The initiative in organizing the new joint-stock company belongs to the government of your republic. However, ICL's management showed understanding for the government's desire to participate in the profits of an enterprise located in Tatarstan. As far as I know, your government already has such business experience.

[Khidiyatullina] Indeed, the Republic of Tatarstan Cabinet of Ministers acted a few years ago as cofounder of the first Tatarstan-Turkish joint venture, Tatuross. However, in that instance it made its contribution to statutory capital in the form of crude oil.

[Thompson] Apparently the same will occur in our case. The proportions of investment will change so as to take into account the interests of your republic in the distribution of eventual profits. You must pardon me for being unable to give precise numbers before the meeting of the board, which will most likely be held within a few days. Only after this will it be possible to schedule the date for signing the principal contract.

[Khidiyatullina] It may be surmised that business contacts will not be restricted to the framework of the joint-stock company....

[Thompson] Of course not. They are much broader than that even now. In the fall of this year we will mark the 25th anniversary of operations in the market of CIS countries and Russia. Much has been accomplished during this time. Our computers and banking and retail trade equipment are installed not only in Russia. The large oil enterprises of Tatarstan, the Administration of Kazan, and the Government of the Republic of Tatarstan have been able to duly appreciate the advantages of working with our computers and programming.

[Khidiyatullina] Why are you convinced of the advantages of ICL products?

[Thompson] Last year ICL was perhaps the only large computer company to make a profit. Of course, it was less than expected—only \$4 billion, increased sales notwithstanding. This is a general problem. Nonetheless, it can be understood that close linkage to progressive developments by the specialists of the Japanese company Fujitsu made it possible for ICL to not only make a spurt in technical development but also to sharply reduce production outlays.

One does not have to be a specialist to understand that the superior quality of the company's products was complemented by the ability to reduce prices. Owing to the development of so-called "open systems," we help enterprises to ensure communications and management of production processes with finely developed programs while using the previously purchased computers of various companies. In the process, we not only deliver, install, and provide training for specialists but also stand ready to provide assistance in the continuous upgrading of programs. As early as 1985 ICL understood that the development of services is the future of computer companies. All our advantages are based on the growing volume of services.

[Khidiyatullina] It is a pity that despite a respectable duration of operations on the market of Russia, the ICL brand is not as widely known as the names of not only other large companies but also small companies. In Tatarstan, you are likewise little known.

[Thompson] It is hard to disagree with that. However, ICL is now mounting an extensive advertising campaign in your country. An invitation to a group of journalists from Russia and Tatarstan to visit London has become one of the programs. We hope that you will be able to tell your readers in detail about the ICL corporation.

[Khidiyatullina] Many people believe that for companies such as yours Tatarstan is of interest primarily as a cheap labor market.

[Thompson] Each company is mindful of its profits. Nobody will strive for higher costs. For example, it is important to select the location for the construction of a production facility correctly. However, you must really perceive that, according to assessments by the leading economists of the world, the territories of North America and Central and Eastern Europe will have the decisive

role in profit generation. The objective of any company, ICL included, is not just to produce but also to sell. This is why Russia and Tatarstan are primarily our business partners and a market for product sales.

Tatar Officials Meet With Bankers

944F0583C Kazan IZVESTIYA TATARSTANA
in Russian 15 Apr 94 p 1

[Press release of the Press Center of the Republic of Tatarstan Supreme Soviet: "Conference on Issues of Foreign Economic Activities"]

[Text] Chairman of the Tatarstan Supreme Soviet F. Mukhametshin held a conference yesterday with the participation of the chairmen of the standing commissions of the Supreme Soviet, Deputy Prime Ministers R. Muratov and F. Khamidullin, Minister of Finance D. Nagumanov, Minister of Foreign Economic Relations Sh. Arslanov, and the heads of a number of banks and departments of the republic.

The conference discussed issues of foreign economic operations of Tatarstan in 1993 and their projections for 1994 in conjunction with the forthcoming consideration of the draft budget for 1994 at the 19th Session of the Supreme Soviet. R. Muratov made a presentation and answered numerous questions from participants in the conference. The chairmen of the standing commissions of the Supreme Soviet voiced a number of proposals concerning streamlined control and rational use of foreign exchange funds taken in as revenue of the republic from foreign economic operations. These remarks will be taken into account by the government in the process of refining the budget message.

Kuban Region Political Forces Surveyed

944F0573B Moscow ROSSIYA in Russian No 12,
30 Mar 94 p 3

[Article by Svetlana Bakulina under the rubric "Politics. Words and Deeds": "A Rehearsal of the Southward Charge?"]

[Text] Krasnodar-Moscow—It is hard to work with the common voter at present. No inducements will lure him into politics. Besides, Zhirinovskiy has set Russia on its ears, and he still will not quit.

However, the Communists of the Kuban would not surrender. They have traditionally called on their electorate to be active, hoping to keep their position in the region through elections to the local legislative assembly. However, there is no way that they will outdo the LDPR [Liberal Democratic Party of Russia]. The people will not be carried along by the mind, the honor, and the conscience now. The school of communism is behind us, and Zhirinovskiy's PTU [Vocational Technical School] is beginning. In the Kuban the PTU is headed by Vladimir Serdyukov, whose hallmarks are a quick wit and obedience. So, he appeared to have made it to the

State Duma on the LDPR ticket, and he would be now sitting in Moscow, at the Mir hotel, eating bananas. However, following a meeting with the leadership in Moscow he did not covet bananas, but surrendered his seat to whoever it was due. Well done, fine fellow, everyone should know his place. This is the kind of cadres Vladimir Volfovich has! Communists and democrats who man different sides of the barricades are looking on with envy. However, this is not the only forte of the hero of the LDPR. Working in the kray newspaper KUBANSKIY KURYER, in the past the only powerful democratic newspaper, he adapted it to the needs of the party. The newspaper produces the right advertisement, gets the brains of the electorate ready for the difficult moment of elections, and...the LDPR headquarters has premises, too. However, it is, of course, not Serdyukov alone that makes the Kuban of the LDPR tick. Paid emissaries announce Zhirinovskiy's truth to the cities and villages day and night, at times enticing (or perhaps fooling) 40-50 of our citizens at one go. By now there is not a rayon seat, not even the most inconsequential, in which an LDPR chapter has not been created out of its supporters. Are there 50 seats in the legislative assembly of the kray? This means that there will be 50 candidates, one in each district. Serdyukov is confident, he has done good work with the branch; besides, there is money. Therefore, 20-30 LDPR candidates will definitely make it to the assembly. However, Serdyukov is modest and keeps silent about the main actual invention, the patent for which is worthy of a PTU. How and where did he come up with the candidates for power? So, the Zhirinovists (or more precisely, Serdyukovists—knock on wood, or it might go to his head) work with the second echelon of the now active executive authorities. Young deputy leaders with promise who have authority in the collective are the objects of their closest attention.

A marvelous pie emerges: In some places the Communists have made their way to the top of the bill, and the Zhirinovists are second. The former think that they are in earnest and for a long time to come once again, and they even put portraits of the beloved Ilich back in their old places. The latter yawn apathetically—power is almost within their grasp, and suddenly look back convulsively to see whether the first ones have not joined up with the third ones.

Since time immemorial the agro-industrial complex has been the third political force in the Kuban. It is very powerful. However much Dyakonov, former governor of the kray, tried to convert to owner-operated farming and to organize strong peasant farms (17,000 peasant farms were created under him in 15 months), he was "made to go" long ago. This statistic has not increased; on the contrary, it is about to slip sharply. The new governor Yegorov is convinced that only kolkhozes can feed Russia. This is precisely what the agrarians named the block in which they united: "Rich Kuban—Rich Russia." The block does not intend to engage in doing the old material over. Its membership is respectable: In addition to the leading kolkhoz members, the corps of

directors and the leaders of the largest organizations of Krasnodar Kray belong to it. Besides, the task set by the powers that be is respectable, too. The supreme echelons of power have resolved to flex their muscles and play Russia's card by creating the Azov-Black Sea Republic. Given this, one sees the name of the bloc as ambiguous.

In theory this maneuver should get Mr. Shakhrai interested. We will set out further into the boundless political expanse of the Kuban, this time looking for democrats. Where are they? Will we hear their voice from the Kuban?

Valeriy Fisyun, chairman of the executive committee of the Congress of Democratic Patriotic Forces of the Kuban, informed us with a hint of sadness: "Indeed, very little room is left for the democrats; the political niche has been virtually filled. Finding 50 candidates in order to win the elections to the legislative assembly is a very difficult task."

What kind of organization is this one that stands ready to pick an unequal fight with the local colossi?

"The Congress was formed in October of last year. Virtually all democratic parties of the region, the Cossacks—the so-called White Cossack host of the Kuban, the Cossack association of Russia, the farmers—AKKOR [Association of Peasant Farms and Agricultural Cooperatives of Russia], and various creative arts and scientific unions joined the Congress. In the region, most of the parties are small and cannot influence the political situation on their own. This is why the idea of an association developed, all the more so that an election to the Federal Assembly was forthcoming, during which we got our first 'baptism by fire.' Along with the Congress, which adopted programmatic resolutions On Power, On Grain, On Land, and On Privatization, a party was created—the Kuban Revival Union. The democrats stated that at present there is no democratic power in the Kuban; this means that it should be fought for, and it should be explained to the population that the democrats were not the ones to bring about decay in the Kuban, the perversion of privatization, and other troubles. They have never had anything to do with this. The party has got itself a newspaper now; its first issue is being prepared for publication under the title KRAY KUBAN-SKIY. Much is being concealed from the population. It will wake up once and learn that nothing belongs to it anymore, that land, means of production, and everything else have owners. We must tell the population the truth. Very soon people will learn the documented truth. We are preparing, and will soon hold the second congress on the topic 'Corruption of Power.' It is a pity that Kazannik has quit as prosecutor general."

"What would you have told him about?"

"We would have told him about the political underpinning of the affair involving the merger of the city of Anapa with Anapskiy Rayon and plans for the creation of the resort region of Anapa, in keeping with which the liquidation of the city executive authorities is planned,

as well as the removal from his duties of the mayor of Anapa, Korolev, who (in keeping with a directive of the government) has for two years been preparing documents on granting Anapa the status of a federal city and the all-Russian family-type children's resort for recreation for parents with children.

"We would have told him about a gas terminal which they intend to build on the Taman; this may influence the ecological situation in the area of Anapa adversely. However, this private, joint Russo-American enterprise has close ties to Chernomyrdin's son.

"We would like to tell many things. We have enough documents in which the personal interests of supreme officials in the Kuban are traced."

As you can see, the democrats have things to say; the agrarians have things to dream about; the Communists know how to restore order, whereas the Zhirinovists will take power in the Kuban by creeping into the legislative assembly without any unnecessary noise.

Kabardino-Balkaria President on Economy, Relations With Russia

944F0579A Nalchik KABARDINO-BALKARSKAYA
PRAVDA in Russian 22 Mar 94 pp 1-2

[Marina Kyasova, Tazal Mashukov report on news conference given by V.M. Kokov, president of the Republic of Kabardino-Balkaria, at Government House in Nalchik on 19 March: "V.M. Kokov: 'The Situation Today Is Such that the Struggle for Power and Questions of Politics Must Be Relegated to the Background, and We Must All Concentrate on Constructive Labor and the Economy'"]

[Text] The conference was opened and anchored by V. Kudayev, leader of the Office of the Press of the President of the Republic of Kabardino-Balkaria.

V.M. Kokov, president of the Republic of Kabardino-Balkaria, began the meeting with journalists with the traditional opening remarks. He said, in part: "A political situation is shaping up both in Russia and in Kabardino-Balkaria today which differs fundamentally from that which prevailed prior to 12 December. However anyone might care to characterize the present situation from the viewpoint of politics, it is more definite and more distinct than prior to 12 December. And the reason for this is primarily the Russian people's adoption of the constitution of our federative state. The constitution has enshrined unequivocally the fact that human rights are the priority in our state. It has also unequivocally enshrined the integrity of our fatherland, and these are strong aspects of the constitution, and this is why we voted for it. But what I would like to emphasize is this: The constitution is now a dependable basis of the separation of powers. Not of a struggle for power but of the legal separation of the various branches of power. Today the Russian state represents in terms of form of government a republican, presidential state

combined with parliamentary activity. And it is this particular feature of the situation now taking shape that should be recognized by all people who live in our fatherland. Each branch of power is called on to concentrate exclusively on its own powers determined by the constitution. The period when the representative authority adopted and decided under its own jurisdiction all questions without exception came to an end on 12 December.

"And we must recognize this also. It must be recognized by both the legislature and the executive. And they must cease the wrangling over whose chair is the higher. Proceeding from this situation, I say: The period of political blather must end both in the Russian state and in Kabardino-Balkaria.

"Not questions of politics but questions of the economy are moving onto the agenda today. And we shall not for this reason get far with slogans: Let us live in unity, let us live in friendship, let us live in harmony. For the economy has reached the point beyond which lie destitution and a powerful social explosion. And the organs of power and administration in Kabardino-Balkaria, therefore, should concentrate all their thoughts and efforts on the accomplishment of specific economic and social tasks. We are for this reason entering into a period when we must do everything possible to ensure that all enterprises and all forms of ownership work for the good of the people of Kabardino-Balkaria. We proceed from the simple formula: Let all forms of management and enterprises of all forms of ownership develop equally in Kabardino-Balkaria, hence let there be many rich people in our republic, but let there be no poor people in Kabardino-Balkaria. That is, our policy must consist of ensuring freedom of development for enterprises of any form of ownership and at the same time of ensuring a strong program of social protection of the populace so that we have no families or people living in poverty here.

"Can the Government of Kabardino-Balkaria cope with this, in words, seemingly, simple and comprehensible task. We believe that it can. A message of the president to the Parliament of Kabardino-Balkaria will be ready in a few days, and if we obtain its approval there, a specific government action program in 1994 will be confirmed on the basis of this document. Today we are working intensively on making the present year a year of a change in the dynamics of the economy of Kabardino-Balkaria. The endless decline we have had in the past five years must be stopped in 1994. Industry and agriculture and other sectors must in the present year make a turn toward their ascent, toward normal conditions and forms of development.

"A living standard of society is shaping up in Kabardino-Balkaria today that may be regarded as the limit. The consumer basket in Kabardino-Balkaria, say, costs approximately R60,000, and we have today one-third of the population below this R60,000 in terms of income, and this means a great many people. We must do everything to ensure that the level of personal income at

least cover the subsistence minimum, which is calculated by various methods, but which is close to reality. We will in this connection adopt very serious measures in the very near future, on questions connected with the organization of pay included. Note that people employed in the nonproduction sphere receive more than R90,000, those working in the production sphere, only R60,000 approximately. It should, it would seem, be the other way about, and those who do not produce material benefits should at least be on the same footing as those who manufacture commodities. But this is the paradox, the distortion in the organization of pay. We intend to implement, as I have repeated many times, a strong program of targeted subsidies also. We will necessarily arrive at a level of the organization of social protection of the populace where all additional payments we make to the populace will be brought together in single compensation payments, and they will be granted on the basis of an application. That is, to those who come and apply to the social protection authorities and declare their income, that is, in targeted fashion. A situation is now shaping up, therefore, in which struggle for power and questions of politics must in Kabardino-Balkaria, as, equally, in the Russian Federation also, be relegated to the background, and we must all concentrate on constructive labor in the name of emergence from the profound crisis in which the economy and policy have found themselves."

After the opening remarks of V.M. Kokov, president of the Republic of Kabardino-Balkaria, journalists put to him a number of questions.

Iskhak Guzeyev (of the newspaper ZAMAN):

"The state of the economy at present for both Russia and Kabardino-Balkaria is, truly, a most important issue. Leaders of the republic's social and political organizations are saying that they also are concerned by this and are declaring their intentions and their desire to assist, contribute, and participate in the development of the economy of the Republic of Kabardino-Balkaria. How do you see their participation here?"

[Kokov] I am familiar with this gathering, which calls itself the Assembly of Political Parties and Movements of the Republic of Kabardino-Balkaria. But the assembly's entire tone is not one of help for the government but of the emphasis of manifest and clearly expressed opposition to it. I reject, therefore, such help and such cooperation in categorical form. If specialists of the Republic of Kabardino-Balkaria have specific proposals, this is another matter, and the doors of both the President's Office and of the government are open, and we will officially even solicit their proposals pertaining to the government's future program of activity. In addition, the text of the message of the president of the Republic of Kabardino-Balkaria to the republic's parliament has today already been distributed to approximately 50 percent of senior officials and specialists. And it is from the proposals that have been received, with their maximum possible consideration, that the message will be

modified and presented to the Parliament of the Republic of Kabardino-Balkaria. It is this form that could be a practicable mode of the social and political movements' participation in the elaboration of the government program for 1994. We are prepared to make available to any political movement or party today all the material at our disposal.

Tazal Mashukov (of the newspaper KABARDINO-BALKARSKAYA PRAVDA):

"There have been especially many letters in the newspaper's mail in recent days connected with your edict 'On Certain Measures of Rehabilitation of the Balkar People in Connection With the 50th Anniversary of Their Repression,' which was read out at the mourning assembly on 8 March. It was not published in the press, and for this reason everyone is interpreting it each in his own way. What is the future of this important document?"

[Kokov] I will say that this edict was not born on 8 March 1994. In all recent years, which have been called restructuring, the community of the republic and the authorities have been involved in problems of the complete rehabilitation of the repressed Balkar people. And not only the Balkar people. Representatives of other nationalities suffered measures of repression also.

A principal demand of the national movements, on the basis of which they emerged, essentially, was the restoration of the rayons. A second point was the formation of a parliament which would take account to a greater extent of the interests of the peoples populating the Republic of Kabardino-Balkaria. A third desire, absurd, in my view, of a certain negligible part of the Balkar people was separation from Kabardino-Balkaria and the creation of their own state. Such things were the basis of all these movements in recent years. And, if you recall, the Supreme Soviet of the Republic of Kabardino-Balkaria approved the decision of the first congress of the Balkar people in defiance of my wishes and my protest. I said at that time literally the following: "We have today turned not the best page in the history of the relations of the Kabarda and the Balkars."

Then that same Supreme Soviet adopted a decision on the need for the restoration of the rayons. You remember this also.

But on 8 March 1994 I signed an edict with regard to the developing political situation. Some people believe that I exceeded my authority. I, however, believe that I did not exceed my authority by writing: "to rename Sovetskiy, Cherekskiy Rayon." I would like to ask normal people: How is this bad for anyone, to whatever nationality he may belong?

Another point. There is written there: "To consider it essential to restore Elbruskiy Rayon, incorporating the village of Kendelen with the consent of its inhabitants." I ask you: Whom does this formula not satisfy, what is unreasonable about this?

Or another point—the formation of a commission and the submittal to parliament of a proposal concerning the territorial-administrative arrangement of Kabardino-Balkaria. What is unreasonable or incomprehensible here? I would like to say that the meeting hall, the thousand people present at the assembly, accepted the edict with complete understanding and approval. And I consider this a normal step in satisfaction of the moral damage which was caused the Balkar people.

If the head of the Russian state finds it possible at this time to make profuse apology on behalf of the Russian state to the Balkar people, why can the head of the Republic of Kabardino-Balkaria, accommodating longstanding desires, not rename one rayon and not form another rayon following consultation with the people who will be called upon to live in this rayon? This today is merely a subject of speculation, and it would seem time to stop this. This step is aimed at adjusting the protracted, if not opposition, then at least strained situation in the relations of the peoples inhabiting our republic. I, as a citizen of Kabardino-Balkaria, not as an official, am absolutely sick and tired of the period of fruitless opposition. And I believe that each day of such opposition works against each Kabarda, each Balkar, each Cossack, and each individual residing on the territory of our republic. Aspirations to have done with the opposition and to secure peace and harmony in the republic were the motivation for this edict. And I will insist before parliament that it approve this edict, schedule a referendum in the village of Kendelen, and form a commission to consider other questions of the administrative-territorial arrangement of the Republic of Kabardino-Balkaria. And not only of the Balkar rayons. Of both the Cossack and Kabardin rayons also, perhaps, if this is economically expedient and corresponds to the present times.

This is my attitude toward this edict. And its future is this: We will uphold and defend it in parliament, and I hope for the good sense of our corps of deputies and that they will support the edict and I am absolutely convinced that this document will serve as a good foundation for stable work in the future.

As far as other parts of the edict are concerned, such a part as, for example, the instruction to the Constitutional Commission to work on the formation of two chambers, in one of which all the peoples of the republic are represented, I have never seen nor do I now see anything wrong here. If we want to live in peace and harmony. After all, we are all maintaining that we are today for a united Kabardino-Balkaria. Then please explain to me, a Kabarda, what is threatening about the fact that there will in one chamber be, say, 11 Balkar deputies, 11 Russians, and 11 Kabarda? What is the threat to me? There is no threat, especially since we live in the Russian Federation, whose constitution has clearly determined that all changes of the borders of components of the Federation are possible only by mutual consent, that is, a power solution of territorial questions is 100 percent excluded. And whoever summons us to this, to power

solutions, is a criminal, a criminal before the constitution, and we will deal with him with the full severity of the laws of the Russian Federation.

Marina Kardanova (of the newspaper SOVETSKAYA MOLODEZH):

"Last Saturday the NSBN [National Council of the Balkar People] adopted a resolution demanding the restoration of all the Balkar rayons and a solution of the bicameral parliament question. It stipulates that unless these questions have been settled by our government and president within a month's time, the NSBN will go to the leadership of the Russian Federation and the Federation Council with a request for consideration of the question of the creation of a Republic of Balkaria within the Russian Federation.

"How do the government and the president of the Republic of Kabardino-Balkaria intend to react to this and what is the possible response of the Federation Council to this request?

"And the second question. At what stage is our relationship with the Ministry of Finance of the Russian Federation in respect to the payments of the promised compensation to the persons who suffered from political repression?"

[Kokov] To speak of questions of territorial rehabilitation of the Balkar people, in Kabardino-Balkaria it has progressed the best compared with any other repressed people. This is my assessment. Some may agree with this, some may disagree. But judge for yourselves. I will give you some approximate figures. Thirty-five thousand persons of Balkar nationality were forcibly deported. Today the Balkar population constitutes, in the Russian Federation at least, 90,000. Thirty-five thousand are at the present time living in the ravines, and these ravines could not physically sustain a larger population. Everything is distributed there down to the last scraps. Putting up an extra house there is a problem. Where does the rest of the population live? On different territory, most likely. And whoever is campaigning for the separation of Balkaria is pushing his people onto a disastrous path because the day this happens, a large part of the population would be "squeezed" into the ravines. And would be "squeezed" by various methods. Power methods, necessarily. This would mean blood and a tragedy for the people. So it is that all these years I have been trying to show that the people that experienced such a tragedy in their history should not once again take a path that would lead to blood and to senseless loss of human life. This is the elementary content of all our efforts geared to ensuring that the republic be united. We are today so integrated that no one could disunite us. And this is, therefore, an absurd preoccupation.

As far as the response to the decision of the NSBN is concerned, this is an organization that is not even registered as yet, I believe. Yet it was formed to create the Republic of Balkaria, and the Constitution of Russia permits this only with general consent. There has been

no consent, that is, the subject of the creation of this organization is played out. I am not, therefore, thinking of any special response to any such statements. I have already responded to these statements. And if some people have nothing to do and want to take this matter further, let them do so. But the prudent part of the Balkar people reacted to this at the time of the ballot in the elections for the Federation Council with unanimous support for the candidacies of both the president and the prime minister for the Federation Council. Not of Kokov, not of Cherkesov, but of the president and the prime minister and their program. And our program is unequivocal—the republic must live eternally, as thus far, as a united family and must tackle the urgent tasks that confront its inhabitants. There will, therefore, be no reaction on the part of the government.

As far as the Federation Council is concerned, it will not, I assure you, respond to the territorial division of Russia. I do not recognize any divisions or any movements that could lead to a confrontation and to innocent victims and I will put a stop to them with all the powers at my disposal. In short, the Federation Council will, I am sure, not respond to such requests. Because the corps of deputies there now is sufficiently serious and balanced.

Concerning the second question. If you noticed, the edict of the president of the Republic of Kabardino-Balkaria, which is being criticized once again by certain figures of various movements, contains the following point—rendering persons of Balkar nationality who suffered repression in the period 1944-1957 lump-sum material support. Why did we write this in? Because the question of the payment of sums of compensation to all persons in the Russian Federation who suffered repression is today economically onerous, and a consummate unified procedure in Russia has not been worked out. Some people say: Pay on a family basis, others, on an individual basis. Some say: The minimum salary times 100, others, 40. This question is at the discussion and modification stage. But we are participating actively, and the question of compensation payments for people who suffered repression will, most likely, on the whole, in the very near future be settled on the scale of the Russian Federation. But lest we plunge it into a common precedent of such a kind, we sought to ensure that the edict of the president record a clause not on compensation payments but on material support for persons of the Balkar nationality who suffered repression. And it is this question that we will have settled in the very near future. In addition, we already have R1 billion here, which many people are mentioning frequently. We will start payments from this R1 billion to the most elderly people. According to our, Kabardino-Balkar, procedure, if it is not a part of the Russian procedure, we will adjust it. But holding on to this money any longer without doing anything with it would be simply criminal. The money must work either for man or for the republic. And we will begin these payments to persons who suffered repression in 1944.

Miloslav Bitjukov (of the newspaper YUG):

"Your message to parliament. When will it be delivered? What is its main idea? Is it a political or economic document?"

[Kokov] The main idea of my message will consist of the righting of the economy of the republic in 1994 and making the latter a year of change. But jettisoning policy from the message absolutely would be wrong. And I would describe my document as political and economic. But I am sure of one thing—it will determine the main directions of our activity and will be a sound basis for a specific program, bolstered by figures, of government activity. All this is to take place in April, within the framework of the present sitting. I will have it in finished form next week, probably. I want to get more opinions and have more support for the message in advance in order that the debate in parliament might be more productive. This is my mission.

[Bitjukov] Could you in this connection familiarize us at least with the heads of the message?

[Kokov] I promise that the leading newspapers will receive it and that they will have an opportunity to discuss it. And I would be sincerely grateful for any criticisms and suggestions you express. We all ultimately have a single goal—the well-being of our republic. Who conceives of the achievement of this well-being in what way is another matter. This could be disputed also, but if we were to adopt a program of activity in 1994 which is consummate and which has been approved by the vast majority of the people of Kabardino-Balkaria, its successful realization would be predetermined.

Oleg Guseynov (of the newspaper SEVERNYY KAVKAZ):

"What is your attitude toward the proposal of Kirsan Ilyumzhinov, president of Kalmykia, concerning the abolition of his constitution and the recognition in Kalmykia only of the Constitution of the Russian Federation, which, incidentally, was supported by NSBN Chairman S. Beppayev?"

[Kokov] I take a negative view of this. The richness of our fatherland consists of the fact that more than 150 peoples and nationalities live here. This multilingualism, this diversity, is the might of the Russian fatherland. But at the same time we have all been speaking for several years now about our sovereignty, about the right to self-determination. This is why, participating in the constitutional process and the work of the final commission, I sought to ensure that the Federal Treaty be an official appendix to the present constitution (even if it might to some people appear formal). And, thank God, 2 million copies of the constitution, to which the Federal Treaty is officially appended, have been published. In addition, this problem was once again discussed at my last meeting with the president of the Russian Federation, and the following agreement was reached—constitutionally structured or formally structured, the

Council of Heads of the Republics will function. If only so that the president of Russia and the leaders of the republics might exchange opinions on various matters.

Second, we agreed that Kabardino-Balkaria and the Russian state would conclude an official treaty. And literally yesterday we discussed who would take part on the side of the Russian state, and who, on the side of Kabardino-Balkaria. And the task is to ensure that the treaty satisfy our requirements and at the same time strengthen the Russian state also. The proposition of the president of Russia on this matter is that he and the center do not need one gram of the authority which could be realized locally, in the regions and components. He needs merely the authority that guarantees and ensures the integrity of the Russian state and its security. Therefore, the president of the Russian Federation suggests, work out a treaty that satisfies you in full, and we will sign it.

And this, in my view, is the correct solution of the questions of relations with Russia. We will move along the path of full federalism, along the path of the formation of a truly federative state. And what is wrong with this? Abolishing the constitution of a republic, in which there are particular features characterizing this people or the other, for that matter, and the wishes of this people or the other would be at least abnormal, therefore. I am absolutely sure that national distinctions persist today and I consider it premature, therefore, to rush to abolish one's constitution. And it is Kalmykia's business according to which constitution it should live, according to the Russian Constitution or some other....

We are thinking of devising a constitution in the course of this year and, as I said earlier, adopting it. A constitution that accommodates in full the interests of all the peoples of Kabardino-Balkaria.

Tatyana Mochalova (of the Kabardino-Balkaria Television and Radio Company):

"You have said that this year will be pivotal in an economic sense. What ways out of the economic crisis do you see if it is considered that ours is a subsidized republic and that the financial position of the industrial enterprises continues to deteriorate?"

"And, second, if the conflict at the Tyrnauz Tungsten-Molybdenum Works has been resolved, how?"

[Kokov] The government and also a parliamentary commission and many specialists of the republic are today working on specific ways out of the crisis. But the main thing I have to say is this: The spring-field operations will begin in literally a few days' time, and it is important that agriculture in 1994 work at full stretch. The wavering is over. We held a meeting of activists of the agro-industrial complex and determined our positions in respect to the main directions of our activity in this sphere. Not one square meter of land in Kabardino-Balkaria must be left uncultivated. Not one normal, fit Kabardino-Balkar inhabitant will be left in 1994 without something to do in agricultural production.

We intend to cater in full for the requirements in respect to truck gardens of everyone who desires this. We also intend to satisfy all applications in rural localities for adjoining personal plots of land before 15 April of this year. Do the financial possibilities for this exist? I believe that we have such possibilities, and our contacts with the federal government afford me reason today to give the firm assurance that we will cover agriculture's needs for financial resources, however pessimistic some people might be. Specifically, since the start of the year we have channeled R17 billion into agriculture. In addition, there are documents in the Ministries of Finance, Economics, and Agriculture of the Russian Federation, which have been coordinated with higher authorities, for a sum total of over R70 billion. Even if we do not manage to materialize everything, these funds are sufficient for ensuring that the agro-industrial complex operate to the full extent.

Another point. We in the Russian Federation have settled questions connected with the development of a resort and tourism in Kabardino-Balkaria. There is a special decree, which we will obtain shortly, which determines the main paths of the development of these traditional sectors of our republic.

The next direction. We have designated quite distinctly a program of hydropower construction in Kabardino-Balkaria. Whether there will be R38 billion, whether there will be R30 billion, it is a fact that this work in the Republic of Kabardino-Balkaria will proceed apace, that is, this will be a sizable chunk in capital construction. We have designated perfectly distinctly the extent of highway construction.

A large amount of work is scheduled in housing construction. And we will first and foremost display special concern for the needy, large families, the handicapped, and those who have been on the waiting list for many years. We will build for families of the inhabitants of hostels and barracks in the city of Nalchik approximately 1,400 apartments altogether. We will make a start on houses whose foundations have not been laid and will continue those whose foundations have been laid.

The main problem for us is to secure the stability of the operation of the enterprises. It is this that we are all now working on: the Ministry of Industry, the Ministry of Finance, and individual directors of large enterprises. We will join the conversion program and will obtain some amount of money. But even if I am unable to get anything resolved within the framework of federal conversion programs, we have a backup move even here—we will have preferential credit for the industrial enterprises amounting to no less than R50 billion. I intend discussing this problem with the president of Russia in the next few days, incidentally, if possible. If not, it will be settled, most likely, 4-5 April, when the next sitting of the Federation Council takes place. But the most important thing is the intrinsic potential, which we have and are using far from fully. Many directors are, if you will excuse the expression, unfortunately, "totally

ensconced" in office, not just present. And are giving no thought to the future and are not concerned for the fate of their work force. Today's criterion for the evaluation of any director: If the outfit is working, has steady wages, and makes the compulsory payments, thanks are due him. No one requires of him either plans or a product list and so forth. But if a person fails to cope with this task, does he have any right to be a director? Undoubtedly not. And for this reason many people are accusing us of saying that the skilled operatives should not be broken up. They should be. Operatives who have not blended in in five years will not do so in five months. This is futile. We must make personnel changes and entrust the work to those who are capable of operating under market conditions.

Further, we must find a way out of the situation that has taken shape in respect to banking in Kabardino-Balkaria. Either we—the republic—have the right to dispose of our own financial resources or we will demolish the state by default. This is what I am talking about. Either an enterprise or myself are in debt to someone or someone is in debt to me, in either case, who is the winner? Only the bank. The multimillion-dollar fortunes of the present bankers and their institutions are being racked up on the nonpayments alone. Many enterprise leaders are "stripping" their work force through this loophole alone. So it is that I say that all state resources in Kabardino-Balkaria should be in the hands of the state bank. If the National Bank cannot handle this, we will establish a Bank of Reconstruction and Development, which would be entirely responsible for state funds. But all the billions we solicit and take from our populace amass interest via these banks in three or four months of mutual nonpayments, and the interest is pocketed. That is, we will adjust this matter also. We will also tackle questions of taxes, streamline and support some, stimulate others, and take from whoever today has possibilities.

Now as far as the Tyrnyauz Works is concerned. We have long been involved in a persevering study of this works. Only understand that the works—the city—is a single whole. And we have already "hung" the entire infrastructure of the city on ourselves and have been financing it for more than a year. Is this not assistance to the works, which earlier supported this entire city?

Another point. We obtained for them privileges in the electricity tariff, and the electricity tariff with them constitutes more than half of their prime costs. We are currently preparing a directive of the prime minister of the Russian Federation especially on the Tyrnyauz Works. And of the R700 million we had in reserve for the purchase of meat on the special quota, that is, for kindergartens, hospitals, and so forth, we recently gave them R600 million directly, I believe, so that they might square accounts down to a single kopek in respect to the miners' pay.

And for this reason a conflict, whoever wanted to fan one in Tyrnyauz, did not eventuate. It was not, strictly speaking, the work force that assembled there but a small

part of it, those who would like to have a separate state. There was for this reason no conflict there. We warned the management: If some people other than you can assemble your work force, they, the other people, should be the directors of this works, not you. This most likely had an effect. At least, they asked of us: Don't come here, we will sort it out ourselves. And they did so and reported that no decisions were adopted there.

It is a fact that the miners are today in a difficult position, and may the entire population of Kabardino-Balkaria understand us if sometimes we make another gesture and take another step in support of them. Their working conditions are difficult, and we will do everything within our power to ensure that the Tynyauz Works function normally as a state enterprise.

Igor Terekhov (of INTERFAX):

"The structure of the Government of the Republic of Kabardino-Balkaria was formerly brought into line with the structure of the Government of the Russian Federation. There have now been changes in it. Will there be similar changes in your government? If so, of what kind? What is your attitude toward the proposal of V. Ardzinba, chairman of the Supreme Soviet of Abkhazia, concerning the integration of the economy of the Republic of Abkhazia in the economy of the North Caucasus region?"

[Kokov] The structure of the government is not something frozen and given once for all. It should change. And the Government of Kabardino-Balkaria should now be changed both in terms of structure and in terms of numbers. If I am successful in all that I have in mind, and I am working on the papers, calculations, and feasibility at this time, the Government of the Republic of Kabardino-Balkaria and the entire system of the executive in general will in terms of numbers shrink by a minimum of 20 percent, optimally, 30 percent. Thirty percent is what I would like. I would not argue about anything over 20. This as regards the numbers.

As far as the structure is concerned, we have 31 members of the government. This is the case, I believe. Estonia, a state, has 13 members of the government. But even if we are conditioned by Russian canons, 30 structural subdivisions is a lot, all the same. There are offices that could perfectly well be part of a single complex. And for this reason the number of ministries and departments, if I am successful, having convinced people and not having evoked serious opposition, in reducing them to 21-23 (I have both versions), I would consider my goal to have been achieved. But the system of the executive must under all conditions be competent, highly efficient, and operational.

The executive should, I am convinced, encompass all components of the state, from the smallest homestead and settlement through the republic. And in this respect I am in confrontation, in disagreement, with the provision of the constitution which says that local government is separated from the state. I do not understand such a

state, a Russian state, at least, in which people may at the bottom do what they want and at the top squabble endlessly. We should not have this. The smallest community should have, therefore, an authorized representative of the executive. Whether he is elected or appointed is another matter. This may be argued, but there should be such a person. I am for such a format and for such changes.

Concerning the second question. I have the proposal from Abkhazia. I have the telegram. But when we discussed it, we framed the question this way: Would this not be interference in the affairs of another state? Would we not hereby be pushing Ardzinba himself and his parliament into a new confrontation? And it was for this reason simultaneously my suggestion that this meeting be held in Nalchik. These same thoughts had in parallel, apparently, taken possession also of the Krasnodar leadership, which also announced its desire for these meeting to take place in Krasnodar.

I believe that questions of Abkhazia's integration in the economy of the North Caucasus are absolutely realistic and do not conflict with any international laws. And we should do everything possible to ensure that this integration take place at a durable level.

As far as political problems are concerned, they should be discussed at a meeting of leaders of the North Caucasus and Abkhazia. These matters were the subject of a brief examination, incidentally, at the present sitting of the Federation Council, from which I have just returned. I noted in a brief speech that the techniques of the conclusion of Russia's treaty with Georgia contained a statement of the president of the Russian Federation prior to its signing to the effect that the treaty would take effect only after the all-embracing Abkhaz-Georgian question had been regulated.

And the treaty, which has now been concluded, records in one article that it will take effect, like any other treaty, only after ratification. The Ministry of Foreign Affairs of the Russian Federation will not be submitting this treaty for ratification even within the first six months, consequently, the agreements we reached at that time will hold up. As far as other problems are concerned, they should be resolved only politically. I repeat: Now is not the time when territorial issues can be decided by force.

Zufar Kambiyev (of the newspaper ADYGE PSALE):

"Elections to local government authorities are being held in many regions of Russia at this time. When is it planned to hold such elections here?"

[Kokov] If you recall the edict on elections to the parliament of the Republic of Kabardino-Balkaria and the changes we made to our constitution, it follows from these documents that we must form a durable constitutional commission to draw up a constitution in the course of the first six months, and then we would discuss it and adopt it before the end of November. I, for example, do not consider it necessary to once again

plunge the population of the republic into some elections before the constitution is adopted. Consequently, we need to work intensively on the elaboration of the constitution and its adoption. And to hold elections to the local authorities with regard to the provisions of the new constitution. But there is another opinion also: Let us adopt a law on local government as soon as possible and hold elections in accordance with it. We will discuss these problems. But I would consider it possible to hold elections to the local authorities only in accordance with a new constitution, consequently, some time around October-November. There are boards under the auspices of the administration chiefs, and I believe that the administration chiefs could work without major errors and provide for control of both the economy and other social processes until then.

Marina Kyasova (of the newspaper KABARDINO-BALKARSKAYA PRAVDA):

"A memorandum on civil peace and harmony is being made ready for signing at the Russian level. Could you, as a participant in the meeting in the Kremlin at which this matter was discussed, not express your attitude toward it?"

"Should a similar memorandum be drawn up in our republic?"

[Kokov] I was invited to this consultative conference under the aegis of the president of the Russian Federation. Of all the republics, only Kabardino-Balkaria participated. I supported the idea of the memorandum and said there that any step in a direction providing for political stability should be supported. But in doing so I said also that we should not put our hopes in this document. There have been many agreements of all kinds, but they are not producing tangible results. I say: Let us live according to the constitution, and no memoranda will be necessary. Give us, consequently, a package of laws and a mechanism making it possible to realize all articles of the constitution that has been adopted.

Were we to live and work according to the constitution, no memoranda would be needed. Such a memorandum would do no harm in the Russian state. It could do some good even. At least, those who are in charge of political parties and movements would, having signed this document, be compelled to abide by it, of course. And another point: Those who occupied extreme positions and who refused to sign it would be showing the whole people their true colors, that is, their reluctance to live in peace. This is important also. I support the memorandum, therefore.

I do not consider it necessary to prepare a similar memorandum in Kabardino-Balkaria. Why? Because there are legitimately elected authorities and there is the constitution. And all parties and movements, whoever is in charge of them, should live within this framework. We, the authorities, are called on to ensure the functioning of all movements only within the framework of the constitution. [end Kokov]

In conclusion V.M. Kokov, president of the Republic of Kabardino-Balkaria, appealed to the journalists as follows: "I have repeated this many times and repeat it now also—peace and harmony in the republic depend to a decisive extent on what you have to say. Let us bethink ourselves. Let us not bring to the people, the masses, information that agitates the public mind. Let us not support those who are endlessly pushing us toward the abyss. We do not need this. I repeat: Neither the president nor the parliament are forever. They are today allotted by the constitution a particular length of time. Let us in the name of the peace and prosperity of the republic support the activity of the legitimate authorities. The time will come when we will elect others. Prepare for new elections, consequently. This is prudent, this is normal. And, strictly speaking, should we some day live in a state based on the rule of law!? Yes. And we need, therefore, to expunge from our consciousness completely the possibility of the use of force to achieve our political ends. It is on this that I would ask you to target and concentrate your efforts."

Kabardino-Balkaria Parliament Debates Language Instruction

944F0580A Nalchik KABARDINO-BALKARSKAYA PRAVDA in Russian 12 Mar 94 p 1

[Release by the press service of the Parliament of the Kabardino-Balkar Republic: "Equal Development Opportunities for the Three State Languages. From the Proceedings of the Soviet of the Republic—Parliament of the Kabardino-Balkar Republic"]

[Text] After discussing very quickly the proposals concerning Temporary Regulations of the Chambers of the KBR [Kabardino-Balkar Republic] parliament, on which Kh. Shogenov, deputy chairman of the Commission for Legislation, Legal Order, Security, and Human Rights, made a report, the deputies moved on to the draft KBR Law "On Education." It was presented by V. Tlupov, chairman of the Social Policy Commission.

Let us note that an extensive draft was prepared by the relevant commission of the Supreme Soviet in its time, but was never passed.

According to the draft, the sphere of education is proclaimed to be a priority. A republic program for the development of education which would be prepared and revised on a competitive basis would be the foundation of the state policy of the KBR in the area of education. All citizens of the KBR would be guaranteed free general education and, on a competitive basis, free vocational education. Conditions would be provided for developmentally impaired children to receive education; those of outstanding ability will be assisted in receiving an elite education.

Having passed through the first section without much disagreement, the deputies dwelt for a long time on the second section devoted to education and national culture. Despite clarifications from Z. Nakhshiev, the

speaker of the chamber, to the effect that the law was being developed for the long term (this is also stated in Point 3, Article 6 of the first section: "State educational standards for new educational programs shall be introduced, as a rule, five years after the beginning of work under the programs in question"), members of the Social Policy Commission who introduced the draft had to answer many questions and stoically defend a number of its provisions and articles.

Citizens of the KBR are entitled to receive primary general education in their native languages, as well as to select the language of instruction within the framework of opportunities provided by the educational system (Point 2, Article 7). In this case, queried V. Protasov, why adopt Point 6 of the same article: "The language of one of the indigenous peoples (either Kabardin or Balkar), at the option of the student, as one of the state languages of the KBR shall be introduced as a required course in all educational establishments (general-educational, secondary) in which instruction is offered in the Russian language." It was explained to him that the language of instruction and the subject of study are different things, and that the three languages proclaimed to be the state languages of the republic should have equal opportunity for development.

Differences over the language policy were quite substantial and led to many hours of discussion which, however, proceeded quite properly, in parliamentary form and expression. There was no dearth of arguments from both sides, with each side trying to convince the other that its particular arguments were weighty. The polemics were protracted, and the words of KBR Deputy Minister of Public Education V.V. Shibeleva, who attended the proceedings, sounded, in a way, surprisingly conciliatory: "The problem is indeed great, but the children have no doubts. They have this subject (Kabardin or Balkar) on their curriculum, and they study it in peace. Everything will be normal—given that the approach is professional and the methodology is competently developed. Nobody will be harmed by knowing another language."

They settled on this, although repeated disputes arose later. Thus, having read in Point 2, Article 8: "...Any politicization of the history of KBR nations shall not be allowed," the members of parliament began to have doubts: Is this possible? After all, history in itself is politics. Nonetheless, they resolved that they should strive for lay, unpoliticized education.

In two days the deputies covered only two sections out of seven. Well, the draft law "On Education" is one that applies to all without exception. In essence, the kind of society we will create directly depends on this draft law. Therefore, such painstaking work should be justified.

Central Bank Chief for Kabardino-Balkaria Views Current Tasks

944F0580B Nalchik KABARDINO-BALKARSKAYA
PRAVDA in Russian 17 Mar 94 p 3

[Interview with N.A. Klimenko, chief of the Main Branch of the Russian Federation Central Bank for Kabardino-Balkaria, by R. Kronik; place and date not given: "Nikolay Klimenko: The Laws of Banks Are the Rules of the Road for Money"]

[Text] This phrase in a conversation with Nikolay Alekseyevich Klimenko, chief of the Main Branch of the Russian Federation Central Bank for Kabardino-Balkaria, struck me in particular, perhaps because it presented money as something that is both alive and significant rather than as generic inanimate capital.

Klimenko confirmed: "To me, this is indeed so. I have been working in finance organizations for 33 years. I was assigned to a job here upon graduating from the Saratov Economic Institute. I started out in the position of credit inspector at the Terskiy Rayon Branch of the bank, gradually climbed up all the rungs of the official ladder, and have been heading the republic branch since 1984.

[Kronik] Has the work ever seemed dull to you? It is very specific, after all.

[Klimenko] It never has. As it is, you can take different views of any job. I was always attracted by personal work with clients, even at the time of rigid restrictions imposed by all kinds of instructions, and it is even more attractive at present.

[Kronik] You may find this offensive, but until recently we only recalled the existence of the bank twice a month, associating purely run-of-the-mill situations with it: "The cashier has gone to the bank." For this reason it is still difficult to get used to the fact that the bank has now become, in a way, the principal figure not only in economics but also in politics.

[Klimenko] I could not agree with you more. We did indeed turn into a cashier's window for the payment of wages in a socialist planned economy, acting under instructions and directives. Certainly, reforms in the economy called for restructuring financial structures, too. Unfortunately, many hasty and ill-conceived steps were taken along the way. As a result of recurring reorganizations, our bank, which previously pooled the best cadres of specialists, was forced to start from scratch.

[Kronik] Has your status been determined now?

[Klimenko] As you know, a two-tier system has been created in Russia: the Central Bank and a network of commercial banks.

Regardless of its name and structure, in all countries of the world there is one main bank which puts money into circulation and withdraws it, as well as accomplishes a

number of other, highly necessary tasks. The Central Bank has been declared the main bank of the country, and has been charged with pursuing a uniform federal monetary policy, regulating monetary circulation, ensuring the stability and reinforcing the purchasing power of the ruble, and financing capital investment. The Central Bank establishes settlement procedures for the national economy, protects the interests of depositors, issues the banks licenses to perform banking operations, including those with foreign exchange, registers charters, and supervises the conduct of operations in foreign economic activities.

The KBR [Kabardino-Balkar Republic] National Bank, which is a structural subdivision of the Russian Federation Central Bank, must also accomplish all of the aforementioned principal tasks.

[Kronik] Incidentally, what is your attitude toward being made a member of the KBR government?

[Klimenko] I view this as an expression of the recognition of the role and significance of the KBR National Bank in the development of the economy of the republic. This was a personal initiative of KBR President V.M. Kokov, who has an excellent idea and understanding of the operation of the banking system and wishes to take advantage of our closer cooperation to meet the needs of the KBR as much as possible.

To be sure, participation in the work of the government takes extra time, but at the same time, interaction with the organs of state power makes it possible to resolve pressing issues jointly and more promptly.

[Kronik] Nikolay Alekseyevich, the views of the second tier, the commercial banks, are most contradictory.

[Klimenko] A market economy without commercial banks is impossible. Please recall that under the old system money was squandered right and left; it was frequently invested in patently unprofitable projects. Of course, no commercial operator who wants to survive would do this.

[Kronik] How many commercial banks operate in the republic?

[Klimenko] Eleven independent banks and four branches, including the Kabardino-Balkar Regional Branch of the Rosselkhozbank, with five offices in the rayons, and the Joint-Stock Commercial Savings Bank with a chain of branches.

[Kronik] Is this a little or a lot?

[Klimenko] I think that this is a sufficiently extensive network which is in a position to perform the entire complex of banking operations in the republic. The establishment of new subdivisions has now been suspended, although we do have 10 petitions; this is primarily associated with higher requirements for the newly established banks.

[Kronik] Does the operation of commercial banks produce real returns?

[Klimenko] The independent commercial banks operated in a stable manner and turned a profit last year. Proceeding from the requirements of the Russian Federation Central Bank, they increased their statutory capital to 100 million rubles [R] or more. As a result, even under the conditions of inflation, the banks were able to considerably raise, out of their proceeds, the level of interest rates on funds attracted from the population and be worthy competitors for the institutions of the Savings Bank.

[Kronik] Is their role in investment in the national economy of the republic perceptible?

[Klimenko] The KBR National Bank still plays a leading role in controlling funds from the budget which are earmarked as capital investment. In 1993 their volume came to R19 billion.

The volume of credit outlays of commercial banks for the economy of the republic grew by a factor of 5.8 last year. However, centralized resources allocated by the Bank of Russia account for one-half in the process, and in some commercial banks—for 70 percent. These resources are provided primarily for the extension of loans to enterprises and organizations of the preferred sectors of the national economy of the KBR, in coordination with the Cabinet of Ministers.

Last year, the increment of centralized credit resources in our republic came to 335.4 percent. It was higher than in the Russian Federation on the whole, and the highest in the North Caucasus region. The credit support provided by the state facilitated a degree of stabilization in production in the KBR.

However, it is of course necessary for the commercial banks to attract the spare funds of enterprises as deposits in order to operate in a more stable manner. The banks themselves make a poor effort, while economic units are reluctant to give up their spare funds, preferring to use such funds for their own needs in the environment of continuously high inflation. As a result, the commercial banks use in their transactions the temporarily spare funds of economic units in settlement and current accounts, thus exposing to risk not only themselves but also their clients.

[Kronik] You have mentioned that the National Bank has the right to monitor the operation of the commercial banks.

[Klimenko] The monitoring of the authenticity of accounting and statistical reporting and compliance with economic norms is entrusted to us. In July of last year we established the inspections department. In the time since, two commercial banks and three branches have

been audited. It came out that the monitoring of compliance with cash discipline by enterprises and organizations and the proper use of monies from the consumption fund is lax. The conditions and the principle of credit extension are violated. At times the resources issued are not used as earmarked, which brings about late repayment or the impossibility of recovering them, and ultimately creates losses to the banks themselves, as was the case with the branch of the Eurasia commercial bank. Violations were revealed in the conduct of accounting and operational work and the drawing up of monetary settlement documents.

[Kronik] Can you take any enforcement measures?

[Klimenko] Directives and warnings on the use of sanctions are forwarded based on the results of audits. The sanctions are substantial: If economic norms are not complied with, or operations that run counter to the law are conducted, we are entitled to raise with the founders the issue of taking measures to ameliorate the bank's financial situation, replacing its manager, or even reorganizing and liquidating it.

However, the legislation in effect does not envision control over the operation of branches whose banking headquarters are located outside of the republic. In general, this legislation does not precisely specify the rights of banking commercial structures. So it turns out that everything that is not banned is allowed.

Meanwhile, laws on banks are the rules of the road for money. Such laws may be good or bad, but they should definitely be the same for all. Otherwise, nothing will be in order in the country; there will be chaos.

[Kronik] There is a reason they say "as safe as in a Swiss bank" when they want to stress the reliability of the safekeeping of valuables....

[Klimenko] Certainly, the reputation of a bank means a lot; it is built over centuries, not even decades. Please recall that in prerevolutionary Russia even the bank buildings themselves were imposing and respectable, underscoring how serious and significant the operations performed inside them were.

[Kronik] In this reference, we would like to know how the notorious case in which a number of commercial banks of the KBR credited false transfers in April and May 1992 ended.

[Klimenko] At the time a wave of crediting sums under forged transfers swept over Russia. Despite a warning from the Central Bank, no due attention and vigilance was shown here, which brought about forged transfers being credited to the accounts of commercial structures from Nalchik, Nartkala, and Baksan totaling R1,387,009,000 (the Nalchik commercial bank, a branch of the Rosselkhozbank, the Chegem, and the Savings Bank).

A large proportion of such forged transfers was intercepted through the joint efforts of the KBR National

Bank and the commercial banks of the republic. The remainder, approximately R300 million, still has not been recovered. The KBR law enforcement organs have instituted criminal proceedings based on all of these cases.

[Kronik] What does the KBR National Bank do to protect banking documents?

[Klimenko] We have implemented a system of up-to-date technical protection features for payments; we are using the method of data coding. A new system for transporting banking documentation within the KBR has been organized. Methods for the exchange of information between banks have been modified. We should note in particular that all work, even top secret work, is done by specific employees whom they tried and are still trying to bribe and whom they threaten with physical harm. In order to avoid unpleasant facts, personal chains for mutual and repeated control over the processing of banking documents have been established at all Clearing Centers. If a forgery gets through at one stage, it will certainly be detected at others. Of course, special attention is being paid to the selection of cadres, their reliability and integrity.

[Kronik] What measures have you taken to speed up settlements in the national economy?

[Klimenko] Our answer to this question should be divided into two parts. They are settlements within the KBR and settlements effected with other regions of the Russian Federation.

Since the middle of last year our Clearing Centers have been effecting settlements between the banks of the city and in the rayons within the same day, with funds being credited to the accounts of clients on the following day. The introduction of a new method for the exchange of information on magnetic media (computer diskettes) and the extensive use of technical assets facilitated this procedure.

Intrarepublic settlements with all rayons of the KBR are effected on the second or third business day, with funds being credited to the accounts of clients on the third or fourth business day. We have rejected postal services and deliver all correspondence there ourselves. Incidentally, such deadlines for effecting settlements are in line with commonly accepted foreign norms.

[Kronik] And outside of the republic?

[Klimenko] With a view to speeding up the movement of banking documents outside the KBR, solely the state courier service has been used since July 1992. The service delivers documents within two to five business days to all oblast and kray seats of Russia, with their protection guaranteed.

Standard deadlines for cable and postal transfers have also been established. However, numerous instances of forged transfers, so-called "Chechen advice notes," being sent have unfortunately forced the Central Bank of

the Russian Federation to establish special control over settlements effected, for the most part, in the region of the North Caucasus, where Kabardino-Balkaria is. This considerably delays the crediting of funds outside the KBR.

However, practice indicates that such control is not at all in vain. In the last 1.5 years alone the employees of our bank and the Clearing Centers have prevented the theft of R10.307 billion, as well as detected forged advice notes ostensibly generated at the KBR National Bank for R52.067 billion.

[Kronik] When will regular procedures for settlements of the KBR at the interregional level be restored?

[Klimenko] This depends on the effectiveness of the efforts of law enforcement organs to put an end to forced transfers and, most importantly, on the speed of the introduction of a more reliable transmittal of banking information. Thus, the plan is to introduce the Bankir satellite communication system which should ensure interbank settlements in the territory of Russia on the same day before the end of 1994. A special-purpose program for information services developed by the Central Bank of the Russian Federation is also being implemented. It is based on a system of electronic payments which makes it possible to exchange banking information without paper documents, through communication channels, with the necessary protective features.

[Kronik] At the moment the banking system is frequently blamed for the existing, most complex situation involving mutual nonpayments.

[Klimenko] This criticism is not leveled at the culprits. The liberalization of prices, the severance of economic relations, the introduction of prepayments for goods and services, and a multitude of other objective and subjective causes have brought about an "eating away" of the internal working capital of most enterprises and organizations. All of these have caused mutual nonpayments to snowball; in the KBR, mutual nonpayments exceeded R100 billion.

Last year, the repayment of loans to the banks deteriorated. The defaulted debt increased sharply. A particularly difficult situation developed in the agro-industrial complex.

The KBR Cabinet of Ministers resolved to conduct the offsetting of mutual claims in order to reduce the mutual indebtedness of economic units. However, it is necessary for the Government of the Russian Federation to allocate funds for conducting an offset throughout the territory of Russia because the enterprises of our republic also engage in settlements outside of its territory. If this is not done, the chain of nonpayments will in all likelihood reach commercial banks, which may drive them to the brink of bankruptcy.

[Kronik] Residents of our republic are traveling abroad more and more often. For this reason, the foreign

exchange policy is of special interest. Have there been any changes in the new year?

[Klimenko] Without infringing on the freedom of commercial banks, the KBR National Bank monitors compliance with legislative and regulatory acts concerning foreign exchange operations. In January of this year new procedures were introduced for currency control over the receipt in the Russian Federation of foreign exchange proceeds from the exports of goods. All exporters now must draw up transaction profiles for contracts at authorized banks prior to the shipment of the freight abroad, and submit the profiles to the Customs Committee. Previously an exporter could leave foreign exchange proceeds at a foreign bank, whereas the new procedure which provides for three layers of control will make it possible to rule out the outflow of capital abroad.

[Kronik] Where can foreign exchange be purchased and sold locally?

[Klimenko] Seven authorized commercial banks in the republic hold licenses to conduct foreign exchange operations issued by the Russian Federation Central Bank: Nalchik, Bum-Bank, Prokhladnyy, Nart, Oshkhamakho, Namys, and Kavkaz-Inkombank, along with two branches: of the Rosselkhozbank and the Savings Bank commercial bank.

Settlements in foreign exchange cash have been banned on the territory of Russia since January. Nonetheless, the demand of the population for foreign exchange is growing, and the reserves are being replenished in a timely manner.

[Kronik] A majority of the population is concerned about regular rubles, after all. Will we receive them in a timely manner?

[Klimenko] Unlike the year 1992, when a cash shortage was felt, the KBR National Bank and its Clearing Centers met the needs of the national economy of the republic for currency fully and without delays last year, including coins whose total weight came to about 108 tonnes, or almost two railway carloads. Therefore, all talk of the bank not issuing money is a result of a lack of funds in the settlement accounts of enterprises and organizations.

[Kronik] However, are you not concerned with safe-keeping this cash?

[Klimenko] A reliable security and alarm system exists to this end. At any rate, there have been no emergencies so far.

'Siberian Accord' Defends Regional Economic Interests

944F0562A Moscow *SEGODNYA* in Russian 6 Apr 94
p 2

[Article by Aleksandr Bekker under the rubric "Lobbying": "The 'Siberian Accord' Demands Revision of

Taxes: MASS Recommends the Government Increase Region's Budget Financing"]

[Text] The economic conference on problems of the development of Siberia which opens today in Novosibirsk with the planned participation of Leonid Abalkin, Yegor Gaydar, and Grigoriy Yavlinskiy subscribes to the plan of the "Siberian Accord" Interregional Association (MASS): to raise its political status in order to lobby successfully in the center for the region's interests, as the local elite groups understand those interests. Just a month ago in discussing the concept and strategy of Siberia's development in Moscow, MASS announced that the economic reforms had not resulted in "stabilization of the economic situation in Siberia," but, on the contrary, "a number of base complexes are on the verge of complete disorganization and collapse." Naturally, the association decided to take on the "creation of constructive mechanisms for the positive reform of the economy."

The development of "constructive mechanisms" was above all focused on changing relations between the federal and territorial budgets and on making adjustments in tax policy. Lamenting Moscow's subjectiveness in calculating the income and expenditures of Siberia's krays and oblasts, MASS proposed a typical solution— increase the region's state budget financing. But in fact, in order to remove Siberians' suspicions of one another on the subject of "whom the Ministry of Finance favored more," the leadership of the oblasts should have published the local budgets. On this basis, the question could have been posed of redistributing within the region amounts already pledged to the federal budget. But the "Siberian Accord" instead proposed that the government increase the proportion of value-added tax (VAT) left to the territories.

Seeming to forget that this proportion had already been raised starting this year, MASS is prepared to act as the disrupter of the entire budget design. It proposes to revise the rates of the personal profit tax, VAT, and income tax. To decrease them, naturally, but only that part which goes for republic-wide needs. Apart from demanding that state injections of capital be increased, the Association gave the recommendation "to form a special reserve fund for financial support of regions in the federal budget." But MASS did not indicate, as is customary in such cases, the source of the fund's formation.

The appeal to the Council of Ministers to revise its decree No 1233 "On Reappraisal of Working Capital" is no less surprising. MASS explains its concern by saying that reappraisal of the value of enterprises leads to a jump in prices of their output, and after that comes another sequence of nonpayments, lower profits, and reduced tax revenue to the budget. It is remarkable that it was precisely enterprises and territorial authorities which bombarded the Cabinet of Ministers all of last year, demanding that working capital be reappraised, saying that otherwise it would be impossible to increase

depreciation deductions and capital investments for developing production. But now MASS announces: "An alternative to this variant is an increase in monetary capital in circulation equal to the rise in prices." In this way, MASS is essentially advising the government to add the inflation of demand (the rise in prices through the increase in the amount of money the consumer has) to the supposedly inevitable inflation of the seller's costs.

But, perhaps, another recommendation of Siberians is out of competition, to abolish Point 8 of the State Tax Committee instructions which defines the procedure for enterprises and organizations to pay tax on profit to the budget. Commodity producers complain about this instruction because supposedly it prevents them from lowering prices for goods and output. In answering such claims made at one of the conferences of directors, First Vice-President Oleg Soskovets said: "Consider there to be no such instruction." But the tax organs have repeatedly caught enterprises for artificially reducing prices of output (for the purpose of formally reducing profit and thereby taxes). Frequently Russian enterprises trade at real prices and list "reduced" prices in the transport invoices. And as a rule this is not accompanied by any resolution of nonpayments or any freeing of warehouse space.

On the whole, MASS's approaches to regulating foreign economic activity, pretensions to price and rate controls on energy and railroad shipments, desire to revise relations of ownership between the federal and territorial levels, and readiness to adjust budget and tax policy confirm that the "Siberian Accord" is attempting to revive the economic organization of the 1950s, the sovnarkhoz [regional economic council].

Novosibirsk City Administration Cutbacks Critiqued

944F0562B Moscow ROSSIYSKIYE VESTI in Russian
6 Apr 94 p 2

[Article by Andrey Illarionov: "How the Reduction of the Administrative Apparatus Is Understood in Novosibirsk"]

[Text] In recent months the mayor's office in Novosibirsk has cut the administrative apparatus by one-quarter. This happened, strange as it may seem, quietly, perhaps because it was drowned out by the noisy events of September-October in Moscow. And then by the elections to the federal and local assemblies.

Studying the structure of the mayor's office, I was quite puzzled. The basic functional subdivisions pretentiously called departments all the same correspond, in my opinion, to the present basic tasks of the city executive authority for managing economic and social life. But the "mayor's department" caused considerable doubt. Why, I wondered, turn the necessary and practical managerial secretariat into some kind of apparatus over the apparatus or department over the departments? We must give due credit to I. Indink, mayor of Novosibirsk at the time,

whose initiative it was to establish this department. The mayor was objective and self-critical enough to eliminate it himself.

Another thing which struck me in the former structure of the Novosibirsk mayor's office was the inventiveness of its authors in the names of sections and officials. For example, there is the interaction and ties with organs of local government section or the economic advisor-chief of the organizational-administrative section. Today, the functions of the sections have been clarified as personnel have been reduced. There are fewer advisors and consultants, who were more likely to consult with their own highly competent managers.

The reductions for the most part affected those associates of the mayor's office who did not live up to the expectations of them. And some of them very sensibly quit, without waiting for it to be suggested to them. The present mayor, V. Tolokonskiy, must be given due credit for his practical and consistent approach to implementing this delicate and difficult measure.

Can one say that the mayor's office is closer to the optimum model after the reductions? There are no miracles: even administrative structures, especially in a time of transition, are doomed to constant and acutely painful refinement. So it is in Novosibirsk too. Essentially structural changes were suggested and made back before the reductions in personnel were completed. For example, the architectural construction and power engineering departments were combined into one. This was obviously dictated not so much by the need to save money as the need to get away from primitive cliches.

It is very difficult today for great Siberian science. And in the mayor's office the question has arisen of creating a small but qualified group to see to its survival. Today this is very important for Russia, and for the oblast, and for the city.

The next thing is creation of the apparatus of the Novosibirsk oblast administration. The development of the corresponding program is being completed. It is a different matter that the search for the optimum structure of the mayor's office or the administration would better be made not through trial and error, but on the basis of competent scientific recommendations, and to do that Russia needs scientific collectives which have mastered the problems of organization of the work of the administrative apparatus.

Comments on Organized Crime, Corruption

944F0590A Novosibirsk SOVETSKAYA SIBIR
in Russian 16 Apr 94 p 3

[Article by V. Maltsev: "Criminal Millions"]

[Text] One scandal follows another: Corporations and consortiums collect a bit of money from trusting citizens, and later disappear into thin air along with large sums of

money. The citizens moan and groan and...once again take their money to the next "benefactor."

Three major swindles burst forth almost simultaneously: two in Moscow and one in Novosibirsk. Muscovites "were made happy" by the Independent Oil Concern, which collected 260 billion in three months of existence, and by the investment fund Oil-Diamonds-Invest, whose business was also not inconsequential. But if the words "oil," "diamond," "investment," and so forth, sound magical to the capital's investors, it seems it was even easier to deceive residents of Novosibirsk.

A certain joint-stock company of the closed type—Fineko—which allegedly was a branch of the Irkutsk Credit Industrial Bank, simply announced in a TV commercial that it was beginning to pay b-i-g interest rates for money it collected, specifically, 30 percent per month. The minimum payment, of course, had to be not less than a million. But, as can be seen, the matter did not stop here: In one week, 150 million was collected. Were it not for the vigilance of the law enforcement organs, the volume of the swindle would be no less than the capital "oil swindle."

Absolutely all Fineko's documents were fakes, including the license granting the right to financial operations.

The victims of the fraud were mainly people of pension age.

The victims of the Moscow swindle in those days even came to a rally demanding protection from the authorities.

This is a very difficult task, given the current legislative base and the unstable economic situation. It is precisely for this reason that people fall for the bait, inasmuch as they want to guard their money against inflation. After all, each time they were induced by promises of high interest.

"Such promises in fact do not always reflect a capability to fulfill them, but rather they are a signal for the law enforcement organs to be interested in how legal the activities of the 'enrichers' is," Viktor Sushentsev, deputy chief of the West Siberian Regional Administration in the Fight against Organized Crime, to whom the editorial office turned for information on this matter, commented about the Fineko swindle.

This time, intuition did not let our protectors down, otherwise many more people would have been deceived. Still, what is to be done, if you want to guard against similar unpleasant occurrences?

The most general advice is provided by an historical example of a highly inflationary period in Italy. People were simply not saving at all. It is said that at that time stores and restaurants there were filled: The Italians were attempting to get rid of money on their own pleasures, since it was no longer possible to accumulate it.

The second piece of advice: Before turning over your money it is necessary to convince yourself that the receiving side has the right to engage in investment operations.

Nikolay Beloslyudtsev, deputy chief of the main administration of the Central Bank for Novosibirsk Oblast, said that such a right is granted by a license to conduct banking operations.

What is to be done if the license is forged, what does a genuine one look like, and what if the ordinary investor does not know?

The main administrations of the Central Bank of the Russian Federation in the territories has all of the information on the issuance of licenses. If the clients of Fineko had inquired at the main administration concerning the Irkutsk Credit Industrial Bank, it is very likely they would have been able to ascertain that such a bank did not exist at all.

One should not take extreme positions and think that everyone who does not have a banking license but who works with money received from the population is an outright swindler. Of course not. But in any case it is necessary to be concerned about guarantees for your money and get the maximum information about those firms with which you intend to do business.

A banking license, of course, is the reliable guarantee here, inasmuch as its owner is obligated to form insurance funds in the event of its ruin, so that investors do not suffer at the same time. It is mainly banks that possess such licenses. Among nonbank structures there are not many as such, and almost all of them are located in Moscow.

A law on advertising could be a distinctive protective mechanism. If the advertiser bore legislative responsibility for texts published in the press and broadcast on radio and TV, then probably it would be possible to institute proceedings immediately, without waiting for a scandal. After all, it is clear to every reasonable person: A yeast fungus has not been invented yet for cultivating money. And the capabilities of known catalyzers of this process are very limited.

LDPR Activities in Krasnodar Detailed

944F0563B Moscow ROSSIYSKIYE VESTI in Russian
9 Apr 94 p 2

[Article by ROSSIYSKIYE VESTI correspondent Aleksandr Bulygin, Krasnodar: "The Kuban 'Hawks' Are Already Dividing the Portfolios"]

[Text] It would seem that the dream of ruling to one's heart's content has so mastered even the minds of certain of our fellow journalists that it gives them no rest, even by day or by night. Krasnodar has a regional newspaper, KUBANSKIY KURER, and at its editorial office is the kray headquarters of the LDPR [Liberal Democratic

Party of Russia], the leaders of which cannot be suspected of having an excessive amount of modesty. More than three months before the election to agencies of local self-government, the Kuban "hawks" announced the formation of a kray Legislative Assembly and a governmental cabinet.

The main portfolios were distributed, naturally, among the closest retainers. The person who was seated in the chair of the shady governor was Vladimir Serdyukov, the head of the LDPR kray organization, who also performs the duties of head of the Sociopolitical Research Department at KUBANSKIY KURER. The job of chairman of the Legislative Assembly was yielded to Igor Kolomiitsev, with this action apparently emphasizing faithfulness to their principle of not forgetting services rendered to them. Because Igor Pavlovich had done rather well in providing services: during a short period of time the KUBANSKIY KURER that is edited by him was converted into a mouthpiece for the Zhirinovskiyites. So the deputy of the main Kuban "hawk," Sergey Kamarinskiy, had to be satisfied with the title of the shady general director of the department for the fight against corruption.

As you compare these personnel assignments, you have to sympathize with the professionals, for example, with military jurist Anatoliy Vetrov, who was given only the job of business manager of the kray Duma. One can only guess how the already appointed shady prefects of Anapskiy, Yeyskiy, Korenovskiy, Labinskiy, and Mostovskiy rayons, and the mayors of the cities of Yeysk and Sochi, will execute the "assignment" issued by the LDPR kray organization, of making up cabinets for the local agencies of authority within a one-month period.

As early as January, the leader of the Kuban liberal-democrats, Serdyukov, publicly and with complete seriousness, stated that Nikolay Yegorov, the present administration head of Krasnodar Kray, "sooner or later will have a need to join up with us... If Yegorov establishes contact with us, and gives us several departments today, then we shall not forget him tomorrow." But the "hawklets" had a misfire: the governor did not react in any way to the bait put out by the Zhirinovskiyites. Andrey Ivanov, press secretary of the kray administration head, stated that the kray's executive authority had been formed from professionals and is operating in everyone's full view. No personnel shakeup in favor of anyone's political vanities is foreseen. Everything will be decided by the voters.

A valid question is: whom can the authority trust? How will the people of Kuban evaluate (or will they evaluate?) the zeal of the local "hawks, their struggle for seats in the kray Duma, and their emulation of Communists at such time? Because the Zhirinovskiyites do not spare even the Travkinites. Serdyukov has indeed stated, "We do not have anything against former CPSU members. But for all 'demorossy' [members of Democratic Russia] the path to us is closed..."

As the saying goes, the masks have been thrown aside. And apparently in time. So that the voters will have time to scrutinize the situation a bit more attentively. There is still time: it is a few months until autumn and the election.

Maritime Communists Look Toward Elections

944F0602A Vladivostok KRASNOYE ZNAMYA
in Russian 20 Apr 94 p 2

[Interview with A. Nesmeyanov, chairman of the Communists of Maritime Kray electoral bloc coordinating council, by KRASNOYE ZNAMYA correspondent Vitaliy Mogil; place and date not given: "April Is Thesis Time"]

[Text] Kray communists were one of the political forces objecting to the kray administration decision to move the duma elections to the fall. Our KRASNOYE ZNAMYA correspondent met with A. Nesmeyanov, chairman of the Communists of Maritime Kray electoral bloc coordinating council.

[Mogil] Anatoliy Vladimirovich, it is well known that there is no unity in the national and kray communist movement. Nevertheless, members of different parties of a communist bent are going into the elections to the kray duma and local self-rule bodies as a bloc. What has prompted them to unite?

[Nesmeyanov] The stimulus for joining forces was our failure at the elections to the State Duma, when the two largest party organizations: the Communist Party of the Russian Federation and the Russian Communist Workers Party—nominated their candidates independently of one another and did not gather the needed number of votes.

Now the Communists of Maritime Kray electoral bloc, in addition to the aforementioned parties, includes the kray organization of the VKPB [All-Russia Communist Party of Bolsheviks] (I do not think the abbreviation needs expansion) and the public movement in defense of V.I. Lenin.

[Mogil] Is the combined force being successful?

[Nesmeyanov] We think so. The stage of candidate nomination and registration has been completed successfully. Of 39 kray duma electoral districts, our candidates are registered in 21. Registering so many candidates also has served another cause. The communists have been able to break the information blockade the mass media, especially television and radio, had placed on us. Thanks to air time on radio and television set aside for candidates' appearances, we have been able to tell people about ourselves and our program.

[Mogil] Tell us then about the substance of your program.

[Nesmeyanov] The main goal of the communists has not changed. It is socioeconomic protection of the workers. I

think that in the current situation that exists in Maritime Kray we will find voter support. Therefore, the kray administration's decision to move the elections to the fall is not at all to our benefit.

[Mogil] Have you reconciled yourselves with it?

[Nesmeyanov] There is not much hope that we will be listened to, but the Communists of Maritime Kray bloc sent a protest against this decision to the kray administration, State Duma, and Central Electoral Commission. As the governor's decree states, the postponement of the elections was prompted by "numerous requests from the administrations of kray cities and rayons." This violates the democratic norms of separating the executive and legislative branches of power—something the current democrats were so intent on just recently. Today all the levers of authority are concentrated in the hands of administration heads and their staff, without any effective oversight of them by the people. Such structures have the coloration of dictatorship—and not faded at that—and once again unmask the system of presidential authority, and its inability to ensure free and truly democratic elections in Russia.

Overall, we firmly oppose Yeltsin's reforms and, consequently, the kray administration, which is the conduit of these reforms in Maritime Kray. The communists are always open to dialogue, however.

[Mogil] Still, if we assume that the elections will be held in the fall...

[Nesmeyanov] We will continue our work. At a recent meeting at which our candidates for deputy were present, they were instructed to continue the election campaign and meet with the people more.

Maritime Business Chief Plans for Economy

944F0602B Vladivostok VLADIVOSTOK in Russian
20 Apr 94 p 3

[Interview Vladimir Kolesnichenko, vice president of the Maritime Joint-Stock Goods Producers Company, by VLADIVOSTOK correspondent Vitaliy Korytko; place and date not given: "Vladimir Kolesnichenko: PACT Is Ready To Take Upon Itself the Burden of Structural Restructuring of the Kray Economy"]

[Text] As is known, the "PACT [Maritime Joint-Stock Goods Producers Company] case," which certain circles have very persistently tried to make look strictly criminal, drew a blank—the competent organs did not find any serious violations in this organization's activities and therefore refused to initiate criminal proceedings. Nevertheless, let us not forget that for a long time PACT's name has been literally a permanent fixture on the pages of some local newspapers (now no longer published), which organized the hounding of "red directors," who allegedly [line missing] of Maritime Kray's economic potential... PACT's real work meanwhile remained, as they say, outside the framework.

Our VLADIVOSTOK correspondent asked PACT's Vice President Vladimir Kolesnichenko to describe what this organization was really doing and what it intends to do after its "exoneration."

[Kolesnichenko] All this time we have been doing the same thing as before—developing within PACT's framework a mechanism for structural restructuring of the kray economy.

Why did we of all people undertake this task? PACT, which is a financial-industrial group, or consortium, is the first structure in Russia set up on the Western model, with an orientation toward a high degree of survivability in a free-market environment—both of the corporation as a whole and each of its component enterprises.

In short, we took as a basis the "keiretsu" system—currently the most effective form of enterprise integration in the world. Having integrated themselves into a multisectoral concern, which typically has its own bank, trading companies, joint ownership of stock, and so on, these enterprises orient themselves in terms of earning profits mainly at investing in the most promising developments, as well as further commercialization of inter-related products and markets. This, by the way, explains why Japan, where the "keiretsu" system is most widely used, is winning the competition against the United States today.

In September of last year the Ministry of the Economy approved the initiative to create PACT; a decision was made to conduct an experiment and then extend our experience to all of Russia, testimony of which was the president's December decree on the creation of financial-industrial groups in the country. Then, however, political intrigues around PACT began, involving audits by uncountable commissions from the government, financial organs, the procuracy, and even state security, which, although not quite paralyzing the organization's activities, did considerably slow down the work on structural restructuring that had at first taken off very energetically. Now the situation has changed.

No matter how much Government Decree No. 1001 is berated, it has been implemented at least in one respect: The kray has been granted a very preferential rate in paying for electric power (40 rubles [R] per kilowatt). Had it not been for this, the kray economy would have ground to a halt as early as last fall. In May, however, we expect a sharp jump in thermal-electric power rates for industrial consumers—the government says that it is no longer able to maintain such low rates. It is not difficult to predict what will happen then—half the enterprises will find themselves on the brink of bankruptcy, and a considerable part of the labor force (in our estimates, between 20 and 40 percent) may be laid off. That is, we have practically approached the point of having no time left for "contemplation."

A considerable part of PACT is comprised of former defense enterprises reorganized into joint-stock companies and undergoing conversion. The situation there is

very difficult now. Military production at these enterprises for all practical purposes has been suspended; people are not paid wages (or if they are paid, it is in miserable amounts), but neither are they told what to do. Maintenance of these "dead" production facilities is done essentially at the expense of stockholders, which is a road straight to bankruptcy.

In other words, collectives have found themselves in a sort of economic trap. Very soon annual stockholder meetings will begin at these enterprises, and people may demand dividends on their stock. They have a right to ask the board of every AO [joint-stock company]: Why do banks and investment funds produce capital and pay dividends, and you cannot? What we would like to do is to decide at each such meeting—taking into account stockholders' opinion, of course—what to produce, which production may be halted, where to sell the products, and so on. But first the government must decide where it stands and finally say clearly that at such and such enterprises in the kray it is in the interests of the state to produce such and such output in such and such volume, etc. Our proposals in this respect, including full conversion of defense enterprises, are already in the State Committee on Industry and are a component part of the kray program of structural restructuring of the economy. The government is preparing its own version of such restructuring, but in principle the entire burden of practical implementation will fall on the kray.

We have to our own thinking—no good uncle will help us in this—on how to preserve jobs by starting production of competitive products that consumers need, and finding markets for their distribution—including abroad. It will probably be a very painful process. Structural restructuring of the economy is no rose garden; some lay-offs are inevitable, and therefore, I want to repeat, the priority problem we will have to deal with is how and where to employ these people. This is not a problem that is limited to PACT. Structural restructuring will extend to the entire kray, and this is at a time when we cannot really count on any significant help on the part of the state.

In our calculations, structural restructuring of the kray economy in 1994 will require R2.3 trillion in current prices; nobody will give us this kind of money, of course. But we have a kind of counterproposal to the state: Since you do not have this money, let us work on signing an agreement with China on sales of Maritime Kray products in its markets, first and foremost in its northern provinces. There is no doubt that our industrial potential is higher than that at many Chinese enterprises, and therefore we can be competitive with them. The same may be said regarding the markets of North Korea, Vietnam, Thailand, and Indonesia. We should not be afraid to take our products there; we also need to look for investors and find them. For instance, we already have concrete developments with respect to investment intents on the part of a number of Taiwanese companies.

Over the past year the consolidated profit of PACT enterprises amounted to R87 billion. This is a considerable amount, but probably is not enough for every one of the corporation's component enterprises. What enterprises are in most acute need of today is first and foremost capital, money. Since we cannot count on outside help, we in PACT intend to apply internally the method of "pulling ourselves up by the bootstraps." The substance of this is that the government will give us the right, so to say, on a tax-free basis to direct part of the profits generated, for instance, by Dalpribor, into the development of, for instance, a Vladivostok meat-processing plant. We are not talking about "charity" here—this project will be presented to Dalpribor stockholders, with the length of time needed to receive a payoff and returns on investment, the prospects for the new production, etc. This is what structural restructuring is: First we pull up one segment, then another... I am convinced that today this is the only real way, which we need to take.

Of course, some may think that there is too much abstract reasoning in this. What structural restructuring of the economy, they say—people have to live today, and wages are low... But in most cases this is precisely why they are so low—there is no way to pay more if production is either idle or operating at half capacity, producing goods that accumulate in warehouses and cannot be sold. Therefore, as I have already said, the "wait-and-see" period is over, unless we shift production as soon as possible into making products everyone needs, while preserving jobs (or creating new ones), unless we find new distribution markets, unless we train a completely new type of managers to run these enterprises, and do many other things, the crisis in the kray economy may indeed reach extremes.

The time of uncertainty and talk is over; it is time to act now. PACT is ready to be the first to start this difficult work.

Kray's Radioactive Waste Problem Examined

944F0591A Vladivostok KRASNOYE ZNAMYA
in Russian 16 Apr 94 p 10

[Article by V. Ignatenko, Russian Federation presidential representative in Maritime Kray, and V. Maslakov, director of Far Eastern plant Zvezda, under the rubric "Official Version": "The Problem of Radioactive Waste in Maritime Kray Is Not Going To Be Solved on a Populist Wave"]

[Text] Lately, kray (and not only kray) mass media have been discussing especially energetically and quite intensely the problem of utilization of liquid radioactive waste accumulated by the Pacific Fleet both in its arsenals and at the Far Eastern plant Zvezda. Unfortunately, a rather considerable number of these materials are of a clearly populist nature and are not distinguished

by objectivity or a balanced approach. And such irresponsible statements as "the bay will die and the population will have to be evacuated," give rise to all sorts of rumors and conjectures that any time now the end of the world is coming to Maritime Kray. Residents of the town of Bolshoy Kamen are being especially subjected to this kind of scare tactics.

Such a frivolous approach to an extremely serious matter not only does not help solve the problem but also aggravates its moral and psychological aspects and distracts Maritime Kray residents from the substance of the matter and the way to deal with it.

It is true that large quantities of liquid radioactive waste (LRW) have accumulated in Pacific Fleet arsenals at the Far Eastern plant Zvezda. TNT-5, TNT-27, and Pinega tankers, as well as two floating reservoirs of PEK-50 type with a capacity of 100 tonnes, are being utilized for its collection, temporary storage, and transportation. However, the TNT-5 tanker, which was decommissioned in 1992, is practically falling apart.

These capacities will be able to accept over the next half a year about 170 tonnes of LRW. One would think that we still have a safety margin of six months to take steps in the direction of creating new capacities for utilization or storage of LRW. This is not so, however. We do not have this margin, because 170 tonnes of LRW is clearly not enough to fulfill the current year's state program for ship repair and utilization. Not only will an important state defense order not be fulfilled, but also a great number of Bolshoy Kamen residents will be left without work. Moreover, as specialists point out, it is impermissible to continue keeping TNT-5 in the plant's aquatic area. Its tanks contain 794 tonnes of LRW with a total activity of 0.78 curies. There is simply no solution other than towing TNT-5 outside the plant's territory and dumping its contents into the sea (which, by the way, is what other countries that possess nuclear fleets do). Otherwise, we cannot avoid the serious consequences of the tanker's depressurization.

It should be emphasized that today the practice of radioactive waste (RW) disposal at sea in our country represents the only possible way to ensure functioning of nuclear-powered ships and vessels. France and England do the same, as a matter of fact. They have been granted this right, however, under the International Convention for Protection of Marine Environment in the Northeast Atlantic Area, which envisages a phase-out of RW disposal at sea by the year 2018.

In our case, the critical situation with TNT-5 is exacerbated by the fact that the Russian Federation government adopted a decision in the fall of 1993 to ban dumping waste into the sea. Having imposed the ban, however, it has not made the second step—offering a solution to the problem. What needed to be done was to provide our Russian scientists with the opportunity to implement their versions of LRW reprocessing and allocate the necessary means for it. This has not been

done. As a result, we have a dilemma: either idle the plants and limit the activities of the Russian Navy, or violate the government ban and carry out unauthorized dumping of LRW in the Sea of Japan or other part of the Pacific Ocean. The former "either" is simply impossible. This leaves the latter—dumping into the sea.

In our opinion, kray Governor Ye. Nazdratenko, looking into the root of the problem, made the absolutely correct statement that in the event the Russian government does not provide financing for resolution of the problem of LRW storage and reprocessing, in order to avoid an ecological catastrophe Maritime Kray authorities will be forced to order a halt in production resulting in LRW and dump the waste stored at TNT-5 and TNT-27 in specially designated areas of the Sea of Japan, on the concurrence of the president. This is a very important and courageous decision, and all Maritime Kray residents ought to support it.

Now regarding waste reprocessing. The technology for its utilization is more or less the same. Solid radioactive waste (SRW)—equipment dismantled from nuclear power generation systems, such as pumps, steam generators, pipelines, and so on—are reprocessed with the purpose of reducing their volume and activity level. SRW is collected in containers and then buried at disposal sites specially designated and equipped for this purpose—as a rule, on the territories of countries that own this waste. These sites must meet a considerable number of requirements that are in line with both state and international rules and terms.

There are two options for purification of liquid waste.

One is evaporation. In this case the resulting substances are purified water and brine. Brine has a high level of activity, and therefore is subjected to further reprocessing in order to reduce its volume and subsequently bury it at SRW disposal sites. This option has a serious shortcoming—it is very energy-intensive and is not a good solution in the environment of constant energy crisis in Maritime Kray.

The second option is water purification through filtration by special compounds. The setup itself is simple: an unpurified water tank, pumps that push the water through filters, a purified water tank, and a control and automation system. Servicing this system is quite simple and does not require great expenditures—in terms of either energy or labor. For reliable operation it requires six to eight persons for a two-shift operation.

In our opinion, a temporary and easiest-to-implement version of this system is installed on a pontoon or a barge. In the current situation this is the preferable option. Such a mobile system could play the role of an "ambulance" of sorts—they can be quickly towed to wherever LRW storage is reaching capacity.

Regretfully, Russia does not yet have a service (which it should have within the Ministry of Atomic Energy system) engaged in utilization of radioactive waste—

both liquid and solid. The leadership of the Russian Navy believes that this is not their problem: The task of the Navy is to ensure defense of the state at sea. Ship-repair plants, of which Zvezda is one, exist for the purpose of ship and vessel repair, and reprocessing LRW is not their specialty. What is the Maritime Kray administration to do in this situation?

This is a far from rhetorical question; it long ago moved into the realm of practice. Our Japanese neighbors, having resolved it long ago, have offered to help. Their systems operate not only in Japan and not only for purification of LRW but also for purification of higher toxicity waste.

Russia also has specialists and scientists in the area of LRW reprocessing, including in Maritime Kray. What our scientists offer, however, is only at the laboratory stage. It will take time and money to organize a competition for the best project and then implement it. We do not have either.

Therefore we see this potential solution to the current situation: support Ye. Nazdratenko's proposal to ask Japan, which is an interested party, to provide monetary aid or LRW reprocessing systems. Bring Japanese firms into resolution of these problems, and provide aid directly to Maritime Kray, bypassing Moscow.

This solution, however, also requires certain time: Japanese companies estimate that at least six months will pass between the time financing is provided and the system is put in operation. While the matter of financing is being resolved in the Russian "top echelons," however, the clock is ticking inexorably, and the accumulated LRW will be sitting right in our lap, in a decrepit vessel. Simple logic brings us back to the already advanced idea: While talks continue about the system construction and passions are raging around LRW, we need to dump this waste into the sea, as was done before the 1993 ban.

As practice and the latest research by specialists show, the low-activity waste accumulated at the Zvezda plant will have practically no effect on the ecology of the ocean, whose water naturally contains metal salts carrying radioactive nuclides. This is one point. Another is that special areas for waste dumping are designated quite far from the shore, taking into account the current, which will quickly dissipate the waste, practically bringing its radioactivity to a minimum. LRW loses its negative qualities as ecologically dangerous when it mixes with the general background of the world ocean. All waste is stringently documented. And, third, expeditions monitored the situation at the site of waste dumping. Instrumentation showed an increased radioactivity of sea water for an hour to an hour and a half after the dumping. When the LRW dissolved, the water reacquired its natural background level.

If we calculate the damage to nature during tanker accidents resulting in oil spills, this damage is far more serious and dangerous than dumping the same quantity of LRW into the water.

As to construction of a system of waste reprocessing, it cannot be built in Bolshoy Kamen, which is a densely populated area. This is the opinion of most Bolshoy Kamen residents; they do not object—and neither do specialists for that matter—to using the unfinished complex for LRW storage and processing in Sysoyev Bay. Enormous money was pumped into this complex back in the 1960's, but, as is quite common, it was never finished. It is up to specialists to say what should be done: a new one built or the already existing one put into operation.

We would like to see us take an united stand in the resolution of these problems instead of throwing words against one another at popular referendums and in the press. Today, both in the kray and in Russia, we cannot be divided into ours and strangers. The LRW problem is our common problem, our common trouble.

Maritime Kray Average Income Viewed

944F0592A Vladivostok VLADIVOSTOK in Russian
16 Apr 94 p 3

[Article by Viktor Mikhaylov, VLADIVOSTOK: "Most Maritime Kray Residents Live Below or Near Poverty Level"]

[Text] During this difficult time of transition to the market, kray statistical administration specialists are surveying 550 Maritime Kray families on a monthly basis. The social snapshot provided by this is quite sufficient to arrive at certain conclusions regarding the current life of the "average" Maritime Kray resident.

The latest survey showed that as of 1 April monetary income per family member has increased somewhat and amounts to 120,420 rubles [R]. Of this amount, 40 percent goes for food, and this expense continues to grow.

Prices grew at a slower rate in March and even fell with respect to some products; this to a certain extent increased their consumption in some families. For instance, consumption of meat and meat products increased by 200 g, milk—by 700 g, and eggs—by three eggs. At the same time, consumption of fish and fish products declined because of higher prices.

The statistics also registered that of the 12 groups of monitored basic foodstuffs, only potato consumption remains at the rational norm level (8.8 kg a month per person). As to meat and milk products, fish, vegetables and fruit, their consumption lags below the norm by a factor of 1.5 to three.

The cost of the physiological maintenance minimum in March amounted to R96,149; 38 percent of kray residents have income below this level. Among them are first and foremost pensioners, whose average monthly pension amounted to only R43,000.

Differentiation of the population by level of income and material situation may be seen from the table.

	Kray population as of 1 April 1994	in percent	families (thousands)
Total	2,287	100	716
Including with per capita monthly income, rubles			
up to 5,000	9.1	0.4	2.9
5,001-10,000	4.6	0.2	1.4
10,001-25,000	86.9	3.8	27.2
25,001-40,000	118.9	5.2	37.2
40,001-50,000	80.0	3.5	25.1
50,001-70,000	189.8	8.3	59.4
70,001-80,000	153.3	6.7	48.0
80,001-96,150	228.7	10.0	71.6
96,150-100,000	73.2	3.2	22.9
100,001-200,000	1,010.9	44.2	316.5
200,001-400,000	288.2	12.6	90.2
over 400,000	43.2	1.9	13.6

As we can see, there is considerable stratification of the kray population by income level. It should be noted that if the "poverty line" is defined as R96,000 and 38 percent of the kray population are below it, we can hardly call the situation of those with an income between R96,000 and R200,000 enviable. And such people account for 47 percent of the kray population. We should not assume, however, that the number of wealthy people with an income of R400,000 in the kray is precisely as the table shows. This is only the official data. In reality, there are many more rich people in the kray, but they do not particularly wish to advertise their income.

Maritime Admin Chief Returns From Travels

944F0592C Vladivostok VLADIVOSTOK in Russian
19 Apr 94 p 3

[Interview with Yevgeniy Nazdratenko, head of Maritime Kray Administration, by VLADIVOSTOK correspondent Vladimir Oshchenko; place and date not given: "Yevgeniy Nazdratenko: I Defend the Interests of the State and Maritime Kray"]

[Text] Head of the Maritime Kray Administration Yevgeniy Nazdratenko spent 11 days in April outside the territory entrusted to him. He was in Seoul—the capital of South Korea—for a day, and then without a stopover in Vladivostok flew to another capital—Moscow, where he

participated in the work of the supreme legislative chamber of the Russian parliament—the Federation Council.

Immediately on his return from this long trip, Yevgeniy Nazdratenko met with our VLADIVOSTOK correspondent.

[Oshchenko] You have emphasized many times that you select your foreign travel priorities in such a way as to avoid places where the Maritime Kray governor is invited mainly for representation. In other words, you go abroad only when there is an opportunity to solve some of the kray's problems with the help of foreign states or companies. What prompted you to go to Seoul?

[Nazdratenko] Seoul was the site of the third annual joint conference of the Committee for Cooperation Between the Russian Far East and Siberia and the Republic of Korea and the Association for Cooperation Between the Republic of Korea and the Russian Far East and Siberia. I was invited as a chairman for the Russian side. Heads of administrations of practically all Siberian and Far Eastern territories, including ethnic entities, also participated in the conference.

This conference was conducted on a very representative level; in essence, its task was to prepare Russian-South Korean economic projects, which will be discussed during the upcoming visit of South Korean President Kim Yong-sam to Moscow. Among the conference participants were the ministers of the most important ministries of South Korea—foreign affairs, labor, and industry.

As the association's chairman from the Russian side, I delivered an extensive report. I will be honest—I did not write it myself, but specialists from the Maritime Kray administration's foreign economic services did a very professional job, and the report did not have even a hint of overstressing the special role of Maritime Kray. Although one has to admit the simple truth that today the Maritime Kray population, counting the military, numerically exceeds the population of Khabarovsk Kray, Kamchatka, Sakhalin, and Magadan Oblast taken together.

Unfortunately, local interests were brought up at the meeting in Seoul, in particular, by Vladimir Saganov, chairman of the Republic of Buryatia's Council of Ministers, who announced the intention to conduct separate negotiations and sign separate agreements. I was compelled to remind all Russian participants of the conference in Seoul that there is one single Russian Federation, which has one president—Boris Yeltsin. And that agreements may be signed either with the president of Russia, or with Prime Minister Viktor Chernomyrdin. Not with a chairman of the Buryat council of ministers or a Maritime Kray governor...

Of course, South Korea continues very active cooperation with Russia, despite the fact that foreign investment in our country is hampered by the existing imbalance

between political, economic, and legal relations. Recall for instance the Hende-Svetlaya [as transliterated] company, and the 22-story South Korean business center currently under construction in the center of Vladivostok... These are concrete contributions to our economy.

I hope that the meetings in Seoul and the work of our foreign economic relations specialists will allow us to expand this work with South Korean companies. First and foremost in the direction where Maritime Kray has the worst bottleneck: I mean, of course, power generation. For us, freight rates turn coal from other regions of Russia into gold. If we continue bringing coal from the outside, in the winter of 1994-95 a kilowatt-hour of electric power will cost 270 rubles [R]; this winter, which was very hard for industry, a kilowatt cost R40. Therefore, in searching for a solution we decided to open work on several coal deposits on kray territory. The idea is simple, although this is, of course, an emergency program: to strip open before winter several coal deposits—where stripping is about 2-4 meters. It would be good to get several Korean companies involved in construction of these strip mines. Although we do have a problem with respect to payment: The Koreans would like to get this coal as payment in kind, but we desperately need it ourselves. Still, I sensed that the Korean side is showing interest in working in Maritime Kray.

Perhaps rich Maritime Kray companies can join this project—those that already have begun to invest money in the kray economy, such as for instance AKFES (Mikhail Dalman) or Roliz (Sergey Darkin). They are building, and we are very grateful to them...

[Oshchenko] What happened during your trip to Moscow?

[Nazdratenko] I took part in the work of the Federation Council. Unfortunately, this work did not produce a lot of results. The Federation Council accomplished only one concrete thing: It accepted the budget message for the second quarter. Although the budget has some shortcomings, the main one being that the money does not get to the territories, it has good figures built into it. At the same time, we have to acknowledge that this is an interim document.

Otherwise, the Federation Council got bogged down in a boring politicized intrigue, and this is very disappointing. The incident with the firing and resignation of General Procurator Kazannik is nothing more than the desire of the anti-president opposition to look for any pretext to hit Yeltsin. I was among those 68 deputies who voted for Kazannik's resignation; 74 voted against it. I said at the Federation Council that if the general procurator had read the Russian Constitution, he should know that it is the Federation Council that relieves him from the job. Why then did he write his resignation letter to the president and then disappear in Tomsk for a month and a half? Anybody who does not show up for work for a month and a half should be fired for absenteeism...

The Federation Council spent two days discussing the problem of crime and its suppression, but did not adopt any real decisions.

[Oshchenko] I assume that you certainly had some official meetings in Moscow on the subject of the situation with liquid radioactive waste storage in Bolshoy Kamen. Were you able to resolve anything?

[Nazdratenko] The Ministry of Foreign Affairs and the Ministry of Ecology of the Russian Federation have prepared a document stating that dumping from the tanker cannot be done without the government's consent. Meanwhile, the tanker with liquid radioactive waste [LRW] may simply burst without asking permission from the government and Nazdratenko. I met with Minister of Foreign Affairs Kozyrev, and our positions on this matter are close: The money (whether from the Russian government or Japan, if the latter decides to help us) for LRW utilization must be used in Maritime Kray—not by some firm in Moscow which for some reason will solve our problems better than we can ourselves. I also met with Japan's ambassador extraordinary and plenipotentiary in Moscow, and during this meeting emphasized once again the kray administration's extreme concern at the situation with tankers and our desire to quickly and safely resolve this problem—preferably with the participation of Japanese companies, which have already developed effective methods. We could solve this problem in 20 days, were it not for all these diplomatic games. The Japanese ambassador also told me that if his government does decide to allocate money, it will be only on the condition that the money goes to Maritime Kray.

[Oshchenko] Recently rumors started spreading in Vladivostok that your lengthy trips to Moscow are not accidental and very soon you will leave "our city" with a promotion. Rumor has it that some government bulletin published a list of members of the future government, where you are listed as the minister of industry...

[Nazdratenko] I am not going anywhere. This is what happened. PRAVITELSTVENNYY VESTNIK magazine published a preliminary list of members of the government, and my name was listed as one of the candidates. I talked to both Yeltsin and Chernomyrdin and told them that I am not going anywhere. I have made a promise to work in Maritime Kray (for better or for worse is for the people to decide)...

[Oshchenko] And you cannot be tempted by any job whatsoever?

[Nazdratenko] No... I love Maritime Kray so much, and it is so important to make life better here that a bureaucratic career is not for me. I also want very much to remind kray residents: At the kray soviet session in May 1993 I told the deputies that for two more years we will retreat and move backwards under the pressure of crisis and ruin. At what speed is another question... We have

not yet left the crisis behind us, and I simply cannot in clear conscience abandon Maritime Kray for Moscow high offices.

Far Eastern Energy Firm Snags Subsidy

944F0583D Vladivostok VLADIVOSTOK in Russian
15 Apr 94 p 2

[Article by Viktor Korytko, VLADIVOSTOK: "It Will Now Be Necessary To Pay as Much for Energy as It Costs"]

[Text] As the press service of the Kray Administration reports, the government is preparing a draft decree in keeping with which a subsidy in the amount of 30 billion rubles [R] will be allocated out of the federal budget to the Maritime area (specifically, the Dalenergo Joint-Stock Company), apparently for the last time, in order to cover the difference between preferential electricity rates and the actual producer cost.

Implementation of this measure will make it possible for the power industry of the Maritime area to purchase some of the fuel and, most importantly, embark on repairing power equipment which is extremely (70 percent) worn out.

However, as Deputy Head of the Kray Administration Sergey Demin, who "pushed through" this government document in Moscow, stressed, the Maritime area will not receive such subsidies any longer. Point 1 of Government Decree No. 1001, in keeping with which payments for electricity at the level of R40 per kw-hour were established, was pronounced void by a directive of Prime Minister Viktor Chernomyrdin. As Sergey Demin said, the government categorically demanded that the kray switch to actual rates for heat and electric energy. This applies to both industrial and household consumers of energy.

At the same time, it may be expected that the abandonment of the use of preferential rates may as early as April and May bring about a further crisis of insolvency in the kray because new debts will "pile up" on top of old ones, and a certain proportion of enterprises will actually go bankrupt, with all the ensuing consequences.

Far Eastern Miners Strike

944F0583E Vladivostok VLADIVOSTOK in Russian
15 Apr 94 p 2

[Article by Nikolay Kutenikh, VLADIVOSTOK: "Miners in Artem Go on Strike"]

[Text] On 13 April employees of the Artemugol Enterprise began a strike of indefinite duration.

The situation of coal industry workers is critical. The people have not been paid for January, February, and March, and the money for December has not been paid either to 15 percent of workers. There is nothing with which to buy foodstuffs or clothing, nothing with which

to pay for housing and day care centers (in some day care centers they are already turning children away).

According to Boris Lesovskiy, deputy general director of the Primorskugol Production Association, the debt to the association comes to 62.162 million rubles [R]. The government of the country is not keeping its end of the rate agreement. At present the cost of solid fuel in the Maritime area is the lowest in the country; its price has stayed at the level of the beginning of 1993. Moscow must cover the difference, but it is not doing this. Even now, the debt comes to R26 billion. Money is not being allocated for current expenditures. Arrears for the development of production and razing dilapidated housing already come to R20.5 billion (miners still live in huts, but funds to build new housing are simply not available). The list could be continued.

It has been learned from unofficial sources that Moscow began to transfer money towards its arrears the day before yesterday. However, it was too late. Miners from Artem had stopped working. Yesterday they discussed the possibility of expressing their lack of confidence in the government and its prime minister.

Opposition to Vladivostok Mayor's Dismissal Continues

944F0563A Moscow KOMMERSANT-DAILY
in Russian 29 Mar 94 p 14

[Article by Leonid Berres and Aleksandr Maltsev, under rubric "The Case of the Vladivostok Mayor": "No Accusation Has Been Leveled at the Administration Head"]

[Text] In Vladivostok the scandal is still raging around the figure of the city's mayor, Viktor Cherepkov (on 18 March KOMMERSANT-DAILY wrote about the mayor's ejection from the city administration building). Yesterday in the city's Leninskiy Court there occurred the latest session in the suit brought by Vice-Mayor Vladimir Gilgenberg, who contested the appointment of a kray administration employee as the acting mayor. Meanwhile eight local journalists who had spoken out in the mayor's defense requested the United States consulate to grant them political asylum, since they "feared for their life."

As KOMMERSANT-DAILY has already written, the scandal began with the procurator's office initiating a criminal case based on instances in which employees of the Vladivostok mayor's office had received bribes, although the fact of the bribes themselves is confirmed only by a certain person offering the bribes, who is named Volkov. Mr. Cherepkov's lawyer, Semen Ulitskiy, reported to a KOMMERSANT-DAILY correspondent that the kray administration's reports to the effect that an accusation had been made against the mayor are false, and, consequently, the procurator's office's decree concerning the mayor's removal from his position is illegal.

Meanwhile, according to the lawyer, associates of Mr. Cherepkov are currently being barred from entering the city administration building. These include, for example, Vladimir Gilgenberg, the acting mayor during the latter's illness. Gilgenberg himself feels that this is the consequence of his dismissal by order of the acting administration head of Primorskiy Kray, Igor Lebedinets, who was contested by the vice-mayor in Vladivostok's Frunzenskiy Rayon Court. But so far the documents concerning who specifically had dismissed Mr. Gilgenberg have not been presented to the court, and therefore the case is dragging out. The vice-mayor also protested in the Leninskiy Rayon People's Court Lebedinets' order concerning the appointment of kray administration employee Konstantin Tolstoshein as acting mayor of the city. Yesterday there was no court session—this time the judge was ill.

Viktor Cherepkov himself has his own opinion about the reasons for the scandal, and he expressed that opinion in an interview with a KOMMERSANT-DAILY correspondent. According to him, even as early as the mayoral election he was threatened, and told to withdraw his candidacy. But when he nevertheless became mayor, "dual authority formed" in the city. On one side was the "Pakt" [Pact] grouping of Primorskiy Kray industrialists, who occupied key positions in the kray administration, and on the other side were the "democrats," headed by the mayor. Mr. Cherepkov feels that "Pakt" monopolized the sale of the output produced by the Primorskiy Kray industrial enterprises, which sell their output cheaply to "Pakt," which then resells it at substantially higher prices. The mayor asserts that he began openly to oppose this, and that resulted in the present criminal case. As long ago as late 1993, certain people "began replacing" him with Mr. Volkov (who has accused the mayor of taking bribes). The mayor was warned that he should avoid Volkov, and he met with him in the presence of witnesses, with the conversation being recorded by a video camera.

Mr. Cherepkov also reported that the local journalists who had spoken out in his defense are currently experiencing a large amount of pressure on the part of unknown individuals—for example, Sergey Shakolenko, editor in chief of PRIMORYE newspaper, was beaten up in the street. Therefore Mr. Shakolenko, as well as Anatoliy Lelyakin, editor in chief of BOLSHOY VLADIVOSTOK newspaper; Pavel Kiyevskiy, chief of the Vladivostok administration's television center; Vadim Karyagin, director of the Vladivostok administration's television studio; and four more journalists had asked the United States consulate to grant them political asylum.

Vladivostok Notes Infectious Disease Rate

944F0592B Vladivostok VLADIVOSTOK in Russian
19 Apr 94 p 2

[Report by Vladivostok City Center for Disease Control: "Number of Infected Persons Increases"]

[Text] *The incidence of disease in Vladivostok not only is not going down—it is rising. For instance, the incidence of diphtheria in 1993 as compared to 1992 increased 17-fold, measles—48-fold, and whooping cough—fourfold.*

This situation has been caused by unjustifiably broad contraindications against vaccination and underestimation of the importance of the latter by city residents.

The vaccines we use meet international standards and cause fewer side effects than foreign analogues. There are currently practically no contraindications against the use of preventive vaccination. Even if a child or an adult suffers from some chronic disease, including an allergy, vaccination can be done after consulting a specialist and a preparatory medication therapy.

Analysis of the spread of infections that can be controlled by preventive vaccination (diphtheria, measles, whooping cough, polio, tetanus) show the effectiveness of vaccination. It is not accidental that the Russian Federation law on the hygiene and disease control welfare makes vaccination against these infectious diseases mandatory.

In the event vaccination is rejected even on an individual basis, collective immunity is not created and the danger of infectious disease is actually the greatest for those ill children and adults who are temporarily exempt from vaccination. Therefore, besides responsibility for one's own health, each person also has an obligation with respect to the health of the people around him.

Only preventive vaccination can stop the rise of infections transmitted through the respiratory channel. Vaccinations are given free of charge in all city polyclinics.

St Petersburg News

Poll on Oblast Viewed

944F0559A St. Petersburg NEVSKOYE VREMYA
in Russian 31 Mar 94 p 1

[Report on interview with Anatoliy Sliva, chairman of State Duma committee, by Karl Rendel; place and date not given: "Deputies Will Have Things To Work On"]

[Text] *On 18 March the president issued an edict suspending a decree of the oblast government on holding a referendum on the draft Statute of Leningrad Oblast on 20 March, thus dispensing with the plans of the oblast leadership, which had counted on approving its own "minor constitution" before the formation of the representative authorities. The failure of the decree to comply with Article 66 (Point 2) of the Federal Constitution, according to which a statute may only be approved by a legislative assembly, was grounds for taking this step.*

As is known, the oblast government tried to collect certain dividends. On 20 March a poll of the population on the draft statute was held. Although not legally binding, it made it possible for the government to enlist

the support of residents of the oblast. A majority of the electorate—54 percent—approved the draft.

How does this document square with the reform of local self-government? Our correspondent put that question to Anatoliy Sliva, chairman of a State Duma committee:

"Thank God, the draft statute was not put up to a referendum, after all! In the greater scheme of things they do not have local self-government there at all. I believe that it is better to wait but to adopt such oblast laws as it actually needs.

"The reform of local self-government should be implemented with regard to each city and inhabited locality. This is an all-Russian problem. First of all, reform of the budgetary system of the Russian Federation and a clear-cut separation of financial sources at all levels should be at issue. All cities should know ahead of time what funds they have at their disposal, and build their social policies around this.

"Municipal property has yet to be generated. This problem has not yet been solved at this point. Ownership has not been codified by the relevant acts; property is being stolen. Privatization of municipal property frequently proceeds under programs confirmed in Moscow. This cannot be done. Programs should be regional or, better yet, local.

"As far as the structures of local self-government go, the population is their object. However, the mechanism of local referendums has not been set in motion yet. We must definitely come to this. I think that the future statutes of cities should be ratified by the entire population after relevant preparation and discussion.

"At present, the issue of a representative organ of local self-government is very acute. If there is no such organ, what discussion of local authorities can there be?! The number of deputies, representatives, or municipal counselors (call them what you please!) is not the point. That the population is tired and does not see a perspective is not the only reason for which the people do not turn out for elections at present. They do not believe that the representative organ will have a regular budget of its own."

Sobchak on Crime Crackdown

944F0559B St. Petersburg NEVSKOYE VREMYA
in Russian 1 Apr 94 p 1

[Article by Dmitriy Statsenko: "What Did Sobchak Mean?"]

[Text] *Appearing on TV on 29 March, Mayor of St. Petersburg Anatoliy Sobchak announced that the law enforcement organs, with support from the military, would shortly mount an extensive offensive against the criminal underworld. What did our mayor mean?*

In the words of GUV D [Main Directorate of Internal Affairs] Chief Arkadiy Kramarev, it is indeed planned to

conduct a special operation similar to "Signal-2" this spring (the beginning date of the operation has already been determined, but it is an official secret). The internal troops of the Northwestern District of the Internal Troops of the Russian Federation Ministry of Internal Affairs and assets of the Ministry of Internal Affairs of Russia will be used in the operation. The chief of the Main Directorate did not know whether Sobchak meant this operation when he declared a war on organized crime.

The staff of Lieutenant General Leonid Chervotkin, commander of the Northwestern District of the Internal Troops of the Russian Federation Ministry of Internal Affairs, explained to our correspondent that the Internal Troops have always provided support for the militia in combating violations of law, and will do so in the future. However, they have nothing to do with the army because they belong to the organization of the Ministry of Internal Affairs. In the opinion of the commander's adjutant, the mayor's words on "support from the military" most likely refer to the army. They could not give us an intelligible answer at the Leningrad Military District, either. Nonetheless, it came out in a conversation with Vladimir Balonkin, chief of the press center of the Leningrad Military District, that our military district does not intend to assign any military units to combat crime because the tasks of the military are different.

Preliminary Election Results Viewed

944F0559C St. Petersburg NEVSKOYE VREMYA
in Russian 24 Mar 94 p 1

[Article by Viktoriya Rabotnova and Vadim Tyagniryo: "See You at the Elections on 3 April. A Round Without Winners"]

[Text] *The city electoral commission is continuing to verify the results of the elections. Chairman of the Electoral Commission Vladimir Fomichev stated yesterday that, as of yesterday, the elections might be considered validly held in only 25 districts, with a winner not being revealed in any one of them. Voting is to be held yet again on 3 April everywhere.*

Democratic Unity was the most successful among public associations that took part in the campaign: All of its candidates qualified for the second round. All of St. Petersburg managed to qualify six candidates, the City We Love—two candidates each [as published], and Business St. Petersburg and the Motherland—one each. Another 15 participants in the second round were nominated by the voters in their districts.

The city commission is continuing to review petitions concerning violations. However, observed Fomichev, even if the case of propaganda on election day is proven, it is not clear what sanctions can be used. The commission is not entitled to bump a candidate out of the competition; meanwhile, ruling the elections invalid would result in punishing not only the violator but also his competitor.

Meanwhile, the future of the new representative organ of power in the city remains uncertain. According to the regulations, the first meeting of the City Assembly should be held no later than the 30th day after the elections. However, it is already clear that the City Assembly will have legal incapacity until the repeat elections are held (the date has not been determined yet). No fewer than one-half of the established number of the elected representatives of the people should be present even in order for a meeting to have the right to make decisions. Besides, many fundamental decisions (this is particularly the case with mutual relations with executive power) may only be passed by the assembly by two-thirds of the votes. Vladimir Fomichev refused to comment on this situation. He stressed that the directive of the mayor to extend voting was addressed directly to precinct electoral commissions, whereas the city commission restricted itself to establishing procedures for sealing ballot boxes. When journalists inquired whether this means that precinct commissions report to the mayor, Fomichev merely shrugged his shoulders: "You are asking strange questions."

To this day the legitimacy of the mayor's decision to extend the elections by one day has not been determined. As is known, on Monday the procuracy lodged a protest with the mayor's office which points out that the length of voting is established by Article 33 of the Basic Regulations on Elections to the Representative Organs of State Power of the Russian Federation Components, which were confirmed by an edict of the president on 27 October of last year, and cannot be changed.

Yesterday, Anatoliy Sobchak signed a response to the protest of the procuracy. In the response he rejected the complaints. The response reads: "An organ that has issued a regulatory act is entitled to amend it." In the opinion of the mayor, Article 33 of the Basic Regulations imposed a ban on changing the length of elections for district electoral commissions, but not for the organ which has issued election regulations. Besides, the mayor recalled that the Basic Regulations are advisory in nature.

The procuracy refused to comment on Anatoliy Sobchak's response, referring to the fact that this document has not been received through official channels yet. In any case, under legislation in effect the procurator is left with just two possible alternatives for action: accept the arguments of the mayor's office or forward the protest to the courts.

What is to be done? Representatives of seven electoral associations tried to answer this question yesterday. Igor Artemyev (the City We Love) and Aleksandr Belyayev (Democratic Unity) informed their colleagues about a conference held at the mayoralty. Anatoliy Sobchak expects to conduct a second round in the fall in the belief that the Goodwill Games will improve the mood of the citizens. In his opinion, the elected deputies should focus on working with the voters.

A majority of those in attendance proceeded from the need to acknowledge that the elections were not validly held in all districts because the extension of the elections made them illegal.

Aleksandr Belyayev voiced a different point of view. According to him, Anatoliy Sobchak was entitled to change the voting schedule.

An agreement in principle on forming councils of electoral associations was reached at the meeting. The issue of the future of executive power is up in the air. The Motherland and Great Russia insist on restoring the powers of the old city soviet. Our City—Our Home proposed to create an organ which is new in principle for the duration of the transition period—the public chamber of St. Petersburg. A law on such chambers could be passed by the State Duma.

On Friday the State Duma will consider the issue of the elections in St. Petersburg. Sobchak has already stated that he will challenge any decision of the parliament.

City Administration Reorganized

944F0559D St. Petersburg NEVSKOYE VREMYA
in Russian 29 Mar 94 p 1

[Interview with Aleksey Kudrin, first deputy chairman of the Government of St. Petersburg, by Dmitriy Travin; place and date not given: "The City Will Become More Manageable"]

[Text] The creation of the Government of St. Petersburg cannot be considered a surprise. Such a reorganization of the mayoralty had been planned for a long time. However, until the very last moment there had been no precise concept of this new organ. It had not been clear whether the government was to be created to emulate Moscow, or to enhance the status of city leaders, or to carry out a truly important reform of the management.

To a degree the situation has become clearer now. The system of city management has indeed been reorganized, affecting the financial and economic block to the greatest degree. The united Economy and Finance Committee (KEF) is being created out of two old committees of the mayoralty. The committee will be headed by Aleksey Kudrin, who has been appointed first deputy chairman of the Government of St. Petersburg.

Kudrin is 33. He graduated from St. Petersburg University; he is a candidate of economic sciences. In 1990 he made a change from a scientific to an administrative career by creating, together with Anatoliy Chubays, the Economic Reform Committee of the Leningrad City Executive Committee. After the mayoralty of St. Petersburg was established, Kudrin worked first as deputy chairman of the Economic Development Committee (KER), and subsequently as chairman of the Finance Committee.

Today Aleksey Kudrin shares with readers of NEVSKOYE VREMYA his reflections on the role an organ such as the government can play in the life of St. Petersburg.

[Travin] Aleksey Leonidovich, why does St. Petersburg need a government, after all? Is this a fad or a reflection of changes that are now taking place in the country?

[Kudrin] Of course, this is associated with changes. The new Constitution has substantially enhanced the rights of components of the Federation, of which St. Petersburg is one. The enhancement of rights goes beyond mere words. Following ratification of the Constitution, absolutely specific regulatory documents appeared which created a new working environment for us. On one hand, the city authorities will now have to hustle much more in order to make ends meet. On the other hand, they have been given new rights to ensure the regular course of life.

[Travin] The rights of regions have been growing in our country for a long time, since as early as when Yeltsin was travelling throughout the country and saying (under the functionary Gorbachev): "Take as many rights as you can." However, until recently the real potential of the regions was determined by their clout in the lobby of the minister of finance.

[Kudrin] Precisely—"until recently." Perhaps not everyone in St. Petersburg knows that effective this year, the minister of finance "put a large lock on his door." At present, the amount of funds allocated by the Ministry of Finance to support a certain region (ours, in particular) is determined by strictly objective criteria. We will not succeed in "shaking anything loose." Therefore, we must procure all possible funds ourselves in order for the city to be able to live.

Previously the head of the administration could say that he was responsible for these facilities, and the federal organs of power—for those facilities. Now he should essentially be accountable for everything. For example, in St. Petersburg the largest museums which are the most valuable to us, such as the Hermitage and the Kunstkammer, should technically be financed out of the funds of the entire country. However, last year they had it worse than the facilities financed by the city because the Government of Russia was clearly not providing enough money. We could not allow this situation to occur and helped out the leading museums. If the Hermitage sustains any damage, it will make no sense to shift the blame to Moscow. At present, we have no other way out but to assume complete responsibility for the life of St. Petersburg. However, we are demanding greater powers since the responsibilities of the city authorities are greater, and we are already getting such powers.

[Travin] Can you distinguish specific questions in resolving which St. Petersburg is becoming more independent?

[Kudrin] First, all decisions of the federal authorities associated with increases in expenditures from local

budgets are now nonbinding. I would like to invite the attention of the citizens of St. Petersburg to the fact that no matter how generous the edicts and decrees are that are issued in Moscow, we will have to come up with the funds to implement them ourselves. For example, the recent decision to extend the war veterans' preferences to the survivors of the blockade was not backed up by a single kopek from the federal authorities.

The survivors of the blockade are sacred to us; we did allocate funds for the implementation of this decree. However, in general we will now have to determine ourselves in each case whether a particular measure can be financed.

Second, now we can introduce new taxes and fees ourselves and reduce or increase, up to a certain limit, the rate of profit tax. The city authorities will now have to decide how to find the optimal form of taxation so as, on one hand, not to do in the economy of the city by high requisitions while, on the other hand, not leaving sectors financed from the budget without funding. We have made a difficult decision today—to support entrepreneurship and to not increase the overall burden of taxes.

Third, components of the Federation have now been granted, for the first time, the right to sign intergovernment agreements in their own name. We can establish direct contacts with any foreign state in order to solve problems facing the city.

[Travin] The formation of the KEF instead of two committees represents the greatest structural change in the government of St. Petersburg (compared to the structure of the mayoralty). Such an organ as the KER has actually been liquidated. Meanwhile, it was always a key organ within the structure of city management. Are the transformations associated with objective changes in economic processes or with a personnel reshuffle?

[Kudrin] Generally, the merging of the two committees is not surprising at all. Please note that as soon as reforms began in Russia, the issue of merging the Ministry of the Economy and the Ministry of Finance at the federal level was raised. Gaydar's first government title in 1991 was "deputy prime minister, minister of the economy and finance." So, the reformers immediately raised the issue of coordinating efforts in these two most significant areas. To be sure, coordination subsequently petered out as the position of radical reformers in the Government of Russia weakened.

[Travin] Why is close coordination in the areas of the economy and finance so important right now?

[Kudrin] Let us recall what the work of the Planning Commission of the Leningrad City Executive Committee, subsequently transformed into the KER of the mayoralty, was all about. It collected and collated the plans of individual enterprises and regions. It was an element of an administrative management system. The collected data were submitted to the CPSU Central Committee and the government.

The industrial enterprises of the city have now become independent, and for the most part even privatized. The Government of St. Petersburg does not engage in managing industry. However, the methods of work of the KER have, unfortunately, changed little. What need is there to keep an organ operating under a scenario that is at least three years old?

In turn, the functions of the Finance Committee have grown sharply because in a market economy money plays an incomparably greater role than in the environment of the administrative management system. We should take into account changing economic conditions, inflation, the possible decline in the volume of production, the intake of conversion credit, the influx of foreign capital, as well as quite a number of other factors. The city just will not survive in the absence of a thorough analytical effort in this area.

[Travin] Do the city authorities really have to know the projected state of affairs at the Kirovskiy or Izhoriskiy Plants? After all, the authorities do not manage their operations. Would it not be sufficient to analyze the state of affairs at municipal facilities, public transit, health care, and culture, that is, the areas for which the government of St. Petersburg is directly responsible?

[Kudrin] If we do not project the situation at the Kirov Plant, we will not be able to evaluate the volume of tax revenues taken in by the city treasury, to plan our expenditures, and therefore to maintain our municipal facilities, transportation, health care, and culture in a regular manner. The Finance Committee has been really interested in projections, whereas the KER has so far lacked a precise notion of who it was preparing projections for: either still for a report to the CPSU Central Committee (in which case old methods are needed) or for drawing up the city budget (in which case new methods are needed). A real opportunity to restructure the operation of organs involved in making projections has now appeared.

The system of mutual relations with investors who invest money in our city is also changing. They no longer come to the KER for permits to open branches or build plants. Enterprises plan all of this themselves. However, they do come to the Finance Committee to ask for tax relief, deferments, and loans. We must analyze the proposals made from the standpoint of their significance for the city, the probability of credit repayment, and so on. From this point of view, work on projections should also be subordinated to financial tasks.

The reform of the system of city management on the whole and the restructuring of the financial and economic block in particular will help the authorities to better solve the problems of St. Petersburg. I hope that in the immediate future the citizens will feel that the city is becoming more manageable than before.

Results of Anticrime Sweep Viewed

944F0559E St. Petersburg NEVSKOYE VREMYA
in Russian 30 Mar 94 p 1

[Article by Dmitriy Statsenko and Ilyas Vasipov: "The 'Signal' Came Through Loud and Clear"]

[Text] Yesterday's briefing at the GUVDT [Main Directorate of Internal Affairs] was devoted to the results of the two-week-long active and preventive operation "Signal-2."

According to Arkadiy Kramarev, chief of the St. Petersburg GUVDT, the operation produced quite good results. Militiamen worked 12-hour shifts; about 9,000 people participated in operational and preventive efforts daily. Not only militiamen but also soldiers in compulsory military service and militia functionaries from Murmansk, Vladimir, Kaliningrad, Kirov, Pskov, Smolensk and other oblasts took part in the effort. The operation was controlled directly by the MVD [Ministry of Internal Affairs] of Russia.

In the course of "Signal-2," 4,907 inspections of hotels, dormitories, and other facilities for the temporary residence of citizens were effected; 7,190 locations for the storage and sale of material valuables were checked out, along with 1,164 facilities of the licensing system.

The results of "Signal-2," which lasted only two weeks, were two times greater than the statistics of militia activities in the previous month. Some 3,513 crimes were solved, including 43 murders, 90 cases of grave bodily injury, 58 bandit assaults, 282 robberies, and 213 cases of theft of motor vehicles and carjacking.

A total of 3,360 criminals were apprehended, of whom 1,815 were "while the trail was hot." Some 292 crimes committed by criminal groups were uncovered. A total of 313 firearms and 681 units of cutting and piercing weapons, 16 grenades, 48 stolen motor vehicles, about 48 kilograms of drugs, money and valuables totalling 718 million rubles, \$29,000, and 110 tonnes of rare-earth metals were confiscated from criminals.

Lieutenant General Leonid Chervotkin, commander of the Northwestern District of the Internal Troops of the Russian Federation MVD, who was present at the briefing, assured those in attendance that St. Petersburg would be "cleansed" before the Goodwill Games.

Among other issues, journalists were interested in new information concerning the talk about the dismissal of Arkadiy Kramarev, which had not died down in two weeks.

Without starting a discussion, General Kramarev said: "There has not been an official document to this effect yet."

A briefing at the SZ UVDT [Northwestern Directorate of Internal Affairs for Transportation] was held on the same day. The results of the "Signal-2" operation were also announced there.

The leadership of the SZ UVDT is particularly concerned about the process of preparations for the Goodwill Games. The Organizational Committee of the games still has not familiarized the SZ UVDT with the schedule for the arrival and departure of the guests.

However, despite the difficulties the directorate is already developing a plan of measures for the period of the Goodwill Games. Thus, it is planned to set up 13 operational protection lines at railway terminals and airports effective July. Some 910 people will be used to man them along the travelling route of the participants and guests of the Goodwill Games.

According to SZ UVDT Chief Viktor Vlasov, the average number of crimes committed on transportation conveyances has so far dropped by a factor of two.

INTERNATIONAL AFFAIRS**Churkin Views Bosnian War, Efforts for Settlement**

944Q0299A Moscow SEGODNYA in Russian 1 Apr 94
p 3

[Interview with Vitaliy Churkin, special representative of the president of the Russian Federation in the former Yugoslavia and deputy minister of foreign affairs of Russia, by Yelena Shchedrunova; place and date not given: "Vitaliy Churkin: Negotiations Should Be Conducted Before, Not After, War Starts"]

[Text] The EC recognized Bosnia-Herzegovina's independence two years ago. This decision in fact provoked the war that is still lacerating this Balkan republic. SEGODNYA offers on this topic an interview with Vitaliy Churkin, special representative of the president of the Russian Federation in the former Yugoslavia and deputy minister of foreign affairs of Russia, who returned from Zagreb the day before yesterday with a new diplomatic victory: With his direct assistance the leadership of Croatia and the leaders of the Serbs of Krajina reached agreement on an end to armed operations.

[Shchedrunova] What, for all that, was the cause of the war in Bosnia, in your opinion?

[Churkin] There was a historical structure going by the name of the Socialist Federative Republic of Yugoslavia, which, by virtue of certain political conditions, lasted for several decades. Then, when, in 1980, Tito died, it gradually began to weaken, and many experts began to express fears that it would collapse. This in fact happened. At the time of the disintegration of the Socialist Federative Republic of Yugoslavia the most vulnerable spot was Bosnia-Herzegovina, where three national groups with complex historical relations were most

closely intermingled. And they were unable at this difficult time to achieve political solutions that would have made it possible to avoid war. The fact that the international community moved in haste to recognize, specifically, Bosnia-Herzegovina did not, most likely, help either. This was done on the basis of the parties' preliminary accord on the plan of the Portuguese diplomat Cutellero. This plan, which was devised in March 1992, is reminiscent of the present proposal concerning the creation of a union of three states. After Bosnia had been recognized by the EC, a succession of other recognitions followed. The intention was very good—to support by the authority of the international community the new realities—but the result proved the opposite. The Muslims and Croats adopted a decision on independence without the consent of the Serbs. A war, which subsequently developed according to its own laws, began. It is not only soldiers who are fighting. Hostility has begun among the peaceful inhabitants also.

[Shchedrunova] One has the impression that the Serbs have, for all that, won this war.

[Churkin] Well, yes, certainly. There need be no doubt about this. This is their tragedy, to a certain extent. Because while they are asking why the international community is up in arms against them—they are capturing territory. They now control 72 percent of the territory, although even by their estimates they are entitled to 64 percent. Yes, in the military plane they have proven more successful. As for the question of who the aggressor in this war is, I have from the very outset employed the following wording, which was recently repeated by President Clinton, incidentally: It is a civil war aggravated by outside interference. This also is understandable. These were, after all, internal borders. And here is the conclusion the international community needs to draw: Some realities in the world exist independently of borders. Particularly when these are borders within a mononational state. Borders are borders, and the peoples lived cross-wise, paying no attention to them. The border of the conflict did not coincide with the borders of the republic. A more involved preliminary political period of a search for solutions should have been negotiated, obviously, before the proclamation of independence by the Muslims and Croats and the world community's recognition of it.

[Shchedrunova] About the efforts of the world community. Following the London conference, which afforded some prospects, there has been a break in diplomatic work of many months.

[Churkin] This is, indeed, the case. It seems to me that a principal reason for such a protracted conflict was the fact that originally the format of the coordinating committee created by the London conference was insufficiently convincing for the parties. Because neither Russia nor the United States were sufficiently vigorously engaged in this format. The United Nations and the EC lacked, for all that, sufficient political weight. Generally, granted all the respect for the EC, a conclusion is that a

serious crisis, even if it is purely European, cannot be resolved by the EC independently. The inclusion of heavy artillery in the shape of Russia and the United States was needed. But under no circumstances can all efforts be turned into a purely Russian-American operation. Everything should be done in an alliance with the EC. And we have now approached the most successful option here. It was actually this new format—Russia, the United States, and the international conference on the former Yugoslavia, that is, the EC and the United Nations—which is at this stage the most effective, most likely—which emerged in Zagreb. Although not one guaranteeing rapid success. But I now have more of a feeling that the parties themselves have approached the fact that it is time to negotiate.

[Shchedrunova] As far as the relations of Russia and the United States on this question are concerned. One sometimes has the impression that certain actions of Russia have been inspired by actions of the United States, that is, that Russia has tried to keep pace with it, as it were.

[Churkin] I would not, to be honest, be opposed to such "socialist competition" with the Americans in respect to who would do more for a settlement of the situation in the former Yugoslavia, provided that we worked together, keeping one another informed. But as far as recent events (the signing of the agreement on the creation of a Croatian-Muslim federation in Washington and the agreement on a cease-fire between the Croats and the Serbs in Krajina in the Russian Embassy in Zagreb—Ye.Shch.) are concerned, this was pure coincidence. Before my last tour of the "towns and villages," which began on 11 March, it never crossed my mind even that such a round of negotiations would be organized in the Russian Embassy. Everything was born in the course of conversations with Tudjman and Milosevic, which left the impression that the parties were really interested in finally signing an agreement. I jumped at this.

[Shchedrunova] Your opinion of the development of the situation in Bosnia-Herzegovina?

[Churkin] There are three or four sore points, agreement on which having been reached, the problem of the borders of the new republics could be resolved. The most important point is Sarajevo, where the parties' positions are directly opposite. Whereas the Muslims are saying that Sarajevo "must be ours," the Serbs are declaring that they cannot conceive of any kind of agreement without part of Sarajevo. We see as a solution the preservation of the territorial integrity of Bosnia-Herzegovina, and Sarajevo as the capital of this state. A capital consisting of two parts. The problem, true, will be how to reestablish normal life in the city in order that it not be divided. Despite the fact that politically it would belong to two parts of one and the same union. Specialists say that this is possible. But the division of territories is, of course, a complex issue, and rapid success is not to be expected here. As far as the plan for the entry of the

new state formations on the territory of Bosnia-Herzegovina into a confederation with other states is concerned, the proposal according to which the Croatian-Muslim federation would form a confederation with Croatia, and the Serbian Republic, with Serbia, would seem perfectly fair. That is, Bosnia-Herzegovina would not wholly become part of a confederation with anyone. The Croats are not objecting to this plan.

[Shchedrunova] But this would be unprecedented in world politics.

[Churkin] Yes, this is a unique plan, but perhaps it would pave the way toward the solution of other conflicts also. But this needs to be approached very cautiously, for we are talking no more, no less, after all, about one state entering into confederative relations with part of another state.

Reasons for Kuntsevich's Dismissal Viewed

944Q0309A Moscow KOMMERSANT-DAILY
in Russian 9 Apr 94 p 4

[Article by Viktor Zamyatin and Aleksandr Koretskiy: "Kuntsevich Case' May Replace 'Mirzayanov Case': United States on Russia's Possession of Biological Weapons"]

[Text] Yesterday THE WASHINGTON POST newspaper, quoting an anonymous source in the Clinton administration, said that Russia continues to develop biological warfare agents—despite Boris Yeltsin's assurances to the contrary and the fact that the then-USSR signed the 1972 Convention on Banning Biological Weapons. The United States, however, does not accuse Yeltsin personally. The Clinton administration believes that he is "not in the loop."

According to an anonymous source from Clinton's inner circles, the White House allegedly has "irrefutable proof that Russia has a biological warfare program." Specifically, according to the newspaper, the point is the existence in Russia of some "biological infrastructure of noncommercial purpose." According to the same anonymous source, information on the existence in Russia of a program to develop and produce biological weapons had been received from sources in the United States in Great Britain, including from a Russian scientist who immigrated to the United States last year. However, another anonymous source from the American White House, whose opinion THE WASHINGTON POST also quotes, believes that there is no proof to support such a sensational accusation. In his opinion, what may be meant here is the existence in Russia of "specialized equipment of nonmilitary purpose," which nevertheless ought to be dismantled along with the military one.

So far there is no reaction from Russia. It is interesting, however, that the scandalous newspaper item in the United States coincided with the resignation of Anatoliy Kuntsevich, the chairman of the Committee on Convention-Related Problems of Chemical and Biological

Weapons under the president of Russia. Lately he had been Russia's "chief chemist," and many varieties of second-generation toxic agents had been developed with his direct participation. His functions included the development of a chemical weapons destruction program and monitoring its implementation (Moscow had always denied that it had biological weapons but nevertheless had a committee on its "convention" on the grounds of ensuring compliance with the 1972 Convention). The reason for Kuntsevich's resignation, given yesterday at a briefing by Vyacheslav Kostikov—"giving consent to transportation and storage of a serious consignment of toxic agents within the limits of a large city"—is questioned by everyone who is even minimally familiar with the chemical weapons problem. It is laughable to remove from the job a person, who in the past had sanctioned transportation and destruction of entire arsenals of toxic agents in densely populated areas of the Volga region, just for giving consent to carry out only part of this program.

An interesting suggestion came from one of KOMMERSANT's competent sources, according to whom there is a connection between Russia being accused of continuing work on biological weapons and Mr. Kuntsevich's resignation (the assumption is that there has been a leak of certain information, which was the true reason for resignation). This assumption is indirectly supported by the fact that at the hearings in the former Supreme Soviet and in the State Duma Kuntsevich persistently understated the true size of Russia's combat toxic agents arsenal by a factor of seven or eight at a minimum (according to estimates by independent observers).

There is only one way, however, to counter Washington's accusations: The Yeltsin-Clinton joint statement, issued in Moscow in January, allows for the "possibility of mutual visits to facilities and holding meetings of experts in order to monitor compliance with the Convention on Banning Biological and Toxic Weapons."

Iran, Libya Attracting Russian Nuclear Scientists

944F0565A Moscow ROSSIYSKIYE VESTI in Russian
16 Feb 94 p 8

[Article by Vadim Chernobrov: "The Only One Sitting At the End of the Chain Was a Wise Tomcat: Today Nothing Can Restrain Scientists Who Are Rushing to the Transoceanic Lukomorye"]

[Text] "Relative to science in Russia: until the day I die, nothing will change there. And I'm never going back there again!" Those words ended the interview given to American and Russian newspapers by Academician Aleksey Abrikosov, the head of the theoretical group at the (Argoni) national laboratory in the United States, and the former head of the High Pressures Institute in the Moscow suburb of Troitsk. Of course, the job of heading a famous institute is much more prestigious

than that of heading a small group consisting of 14 persons. But all this, in the scientist's opinion, is in the past.

What prestige can we be talking about if, during the last years before his emigration, the academician met with his renowned associates Roald Sagdeyev and Yakov Sinayev most frequently while waiting in line for groceries? Add to that the incomparable difference in the "equipment level" (expressed that way, in parentheses) between our own laboratories and the American laboratories with regard to computer technology, instruments, and materials, as well the tremendous difference (by a factor of many times) in the salaries, and you will get the answer to the question of "Why do these and other scientists now meet one another at conferences in German and American institutes?" Because the number of specialists from the Institute of Theoretical Physics imeni Landau and the Leningrad Physical Tekhnikum imeni Ioffe is so large that scientific arguments begin in English, but end up in Russian. One would scarcely expect a meeting like this to occur in any Texas supermarket...

As Mikhaylo Lomonosov said (incidentally, he too did probationary work abroad), if you lose something in one place, you will invariably gain something somewhere else. The largest "gain" occurred in Germany, Israel, and the United States: many personnel problems were also resolved at the expense of Russian scientists in Greece, Australia, Finland, and Canada. But it is one thing when our professors, like poor relatives, leave no stone unturned at various companies (in the United States approximately one half of the Russian scientists do not have a permanent job). One can in this instance act a bit arrogantly and offer an academician the job of junior scientific associate. But it is a completely different thing when the same "oppressed and outraged" individual is invited to take a managerial chair somewhere in a "threshold" country (that is, a place where nuclear weapons are being developed).

Of course, the number of people who have set out for the "threshold" third countries is definitely not a million (the Americans were afraid of that number) or even a thousand: last year Iran "bought" approximately 50 specialists for \$5000 a month to assemble nuclear warheads; Libya "bought" specialists from the Kurchatov Institute to work within the confines of one project near the Gulf of Sidra for \$100,000; Algeria, Ukrainian specialists to develop a nuclear power plant... They barely managed to remove from an aircraft a group of engineers who were departing for North Korea to work in accordance with a contract...

According to evaluations given by the RAN [Russian Academy of Sciences] Institute of Comparative Political Studies, the intellectual migration from Russia in 1993-1995, with various alternatives in the development of the political and economic situation in the country, can constitute from 90,000 to 600,000 specialists with higher

education. We might note that this is with higher education in general, where there already a million nuclear scientists (although just one smart professor, by his departure, can considerably mix up the politicians' cards). At the same time the internal drain, the move of former scientists into commercial kiosks, shops, and simply to the church porch, will be several times greater—from 300,000 to 2 million. That is, at the maximum we can lose during that three-year period no more than 2.6 million scientists, and as a minimum... just 390,000? "Rumors about the demise of Russian science are greatly exaggerated. But it actually has been knocked flat on its back and is scarcely breathing"—one can understand the restrained "optimism" of I. Goldman, the general director of the international ScienceInform Agency, since, with the favorable development of events, Russia may end up, as a result of the "brain drain"... on the positive side of the ledger!

It is expected that from 200,000 to 500,000 Russian-speaking specialists from the near abroad will emigrate to Russia, but "nowhere farther than that." True, for us there is no hope that at least they will self-relessly throw themselves into the breach in Russian science.

Intelligent planning does exist in a free market economy: relying on forecasts of a Russian "brain drain," a number of countries have already reduced the number of students studying a number of specialties. Why study for five to ten years and spend money on a young specialist, when you can get, from distant and mysterious Russia, one who is already more experienced and also... a bit cheaper?

This is also, of course, a counteraction to this process: hundreds of Russian scientific "masters" are already getting salary increases as a result of their title and also "for nondeparture," and thousands of scientists of a slightly lesser rank are receiving money from the state budget, while the scientific institutions themselves are attempting at any cost, by using true statements or false ones, to get bank credit. But how serious are these actions? According to evaluations made the European Council's Commission on Education, the loss from the "brain drain" will constitute for Russia \$50 billion! In the meantime, however, in order to avoid those losses, we have expended amounts of money that are smaller by a factor of hundreds or thousands. That means that, with the passage of time, we will be like the miser in the famous saying, and will end up paying twice as much.

But even this is not the most important thing. If, for a long, long time you remove from any country the most intelligent people, as a result of the process of selection you will have a situation in that country in which, as the Europeans say, "the only thing left between their ears will be hair!"

Ivanov Discusses Intended Upturn in Relations With Syria*944Q0305A Moscow SEGODNYA in Russian 8 Apr 94 p 3*

[Interview with Igor Ivanov, deputy minister of foreign affairs of the Russian Federation, by Dmitriy Osipov, RIA NOVOSTI, special for SEGODNYA, in Damascus; date not given: "Igor Ivanov: No Matter How Difficult the Path of Negotiations Is, There Is No Alternative"]

[Text] After completing his visit to Syria last week, Deputy Minister of Foreign Affairs of the Russian Federation Igor Ivanov provided some details of his visit to an RIAN correspondent before his departure for Moscow.

[Osipov] To what extent is Russia satisfied with Syria's position in the Near East settlement?

[Ivanov] It is impossible to say that someone should be satisfied with someone else's position on this question. After the tragedy in Hebron, Syria, as is known, together with other Arab countries, stopped participating in negotiations; therefore, the main task now is to renew negotiations. Damascus is not satisfied at present with their progress, inasmuch as it does not see any specific results. At the same time, both Syria and Russia agree that there is no alternative to the negotiating process and, no matter how difficult the path may be, it is necessary to follow it. During the meeting with President Asad mutual interest was expressed in activating cooperation in this direction. The Syrian president noted that the negotiating process has a lot of enemies, and any disruption plays into their hands. He assessed the role of Russia highly, emphasizing that the presence of Russia is an important stabilizing element in the Near East, an element without which it is difficult to count on the achievement of a truly just and all-encompassing peace.

[Osipov] The opinion exists among Syrians that the "peak" of our mutual relations has passed into history. Some are even saying that Russia has turned its back on Syria. Actually, Damascus of late has repeatedly received U.S. Secretary of State Christopher and his predecessor, while the head of our MFA [Ministry of Foreign Affairs] has still not visited Syria.

[Ivanov] I would put it differently. The "peak" in the fall of our relations has passed. I passed a message to President Asad from President Yeltsin that speaks absolutely definitely of our firm intention to develop full-fledged relations with Syria. A similar statement is contained in the reply that I am taking to Moscow. That is, there is a definite political will to take the path of building our relations. There really was a slump—for objective reasons associated with many factors in our country and with the international situation; however, it is impossible to say that someone tried to turn away from someone. Incidentally, the Syrian president did not dramatize this situation, and he perceived it as objective reality. He said: We have always believed that this was a

transition period, and that the future of Russo-Syrian relations will be based on the past many years of history and not on the current state of affairs. As for the visit of the minister, such visits should be preceded by specific preparations. I do not rule out the arrival of Minister Kozyrev in Syria in the future, as well as the arrival of high-ranking delegations along other lines. I think that we will increase contacts in various directions.

[Osipov] Including in the sphere of military-technical cooperation?

[Ivanov] We are ready to develop this sphere as well. A Russian delegation was in Syria recently and prepared a draft intergovernment agreement, which we expect will be signed and will create the basis for cooperation. Military contacts at the highest level are also expected.

[Osipov] Was the question of Syria's debt to Russia broached?

[Ivanov] We inherited this serious question, and it is necessary to resolve it. We arranged with President Asad that a delegation of Russian experts from the Ministry of Foreign Economic Relations would come to Damascus in the near future in order, jointly with the Syrian side, to prepare such variants of decisions that would not infringe on the interests of either side. However, the task is not simple, and a quick resolution should not be expected.

[Osipov] Is the Syrian side moving willingly to settle this question?

[Ivanov] No one moves willingly to pay off debts, but I sensed a quite constructive mood and desire to resolve this problem—today, perhaps, this is the sole sore point that is a definite irritant in our relations. Considering that both we and the Syrians are interested in ridding relations of all irritants, it can be assumed that their attitude is quite normal.

Status of Russian-German Relations Assessed*944Q0305B Moscow SEGODNYA in Russian 8 Apr 94 p 3*

[Article by Vyacheslav Yelagin: "Russia-Germany: Problems and Prospects of Cooperation"]

[Text] After the collapse of the former USSR many political scientists in both West and East Europe assessed the outlook for the development of Russo-German relations rather gloomily. Of course, there was a reason for this skepticism. After all, relations between Russia, which started on the path to democracy, and a united Germany were supposed to be built on a principally new basis. But it is not that easy to establish such a basis in a short time. Especially since both countries are experiencing great difficulties in the economy, the social sphere, and domestic political life.

However, daily difficulties have not overshadowed the long-term promising objectives of bilateral cooperation.

In the opinion of Russian Prime Minister Viktor Chernomyrdin, Germany remains, as before, a key country for Russia, and an important trade-economic and political partner. Seventeen percent of our foreign trade turnover falls to it. The regular meetings of the top leaders of Russia and the FRG indicate the scale of current Russo-German relations. It is known in Western capitals that no other state leader in Europe will maintain such close contacts with Moscow as Federal Chancellor Helmut Kohl.

But, of course, by far not everything is smooth in relations between Russia and Germany. First of all, the Germans are disturbed by the fact that until now Moscow has not been in a position to pay its total debt in the amount of DM87 billion, which piled up as far back as Soviet times. To regulate the situation, in 1993 the Russian Federation and the FRG signed an Intergovernment Agreement on Consolidation of the Debt of Russia and the Former USSR, in accordance with which we were granted a deferment for 10 years. Germany is making considerable efforts to include Russia in the system of world economic relations, to a considerable degree assisting the development of Russia's relations with the European Union. There is talk in particular about the formulation of a treaty on cooperation and partnership on conditions that are acceptable to Russia. The Germans are also supporting Russia's officially becoming the eighth member of the G-7, first and foremost in the political sphere.

Moscow and Bonn support multilateral contacts on military policy. Joint military-naval exercises of large units of the Russian and FRG navies will be held this year. Troop exercises on the tactical subunit level are also being planned for the future. A center for training and retraining our servicemen who are returning from Germany for civilian specialties was opened recently in the Russian capital with the financial assistance of the FRG.

Russia and Germany are activating cooperation in international affairs that has attained significant maturity, first and foremost in UN and CSCE policy. The FRG has declared its readiness to support Russia's application to join the Council of Europe. Bonn, which has many times shown itself a supporter of creating strategic partnership relations between Russia and NATO, supports the inclusion of Russia in the new structures of collective security of Europe.

Bonn has welcomed the efforts of Russian diplomacy to lift the crisis situation around Sarajevo, and it supported Boris Yeltsin's proposal on convening a meeting of the leaders of Russia and the leading European states and the United States to consider questions of a Bosnian settlement.

Leading circles in the FRG pay appropriate attention to the appeals of representatives of the Russian leadership to use the FRG's influence on the question of observing the rights of the Russian-speaking population in Estonia

and Latvia in the spirit of the decisions of international human rights organizations. They believe that the problem of ethnic Russians in these countries should not become a "bone of contention" in interstate relations, and they appraise pertinent anti-Russian statements of individual Baltic leaders as unacceptable and out of place.

Disposition of Russia's State Property in Germany

944Q0306A Moscow KOMMERSANT-DAILY
in Russian 5 Apr 94 p 1

[Article by Vadim Bardin: "Property of Russia in the FRG: Germany Will Not Increase Our Wealth"]

[Text]

[Begin boxed item]

Metamorphosis of Organs of Supervision over Russian Property in Germany

- State economic commission under the president of the USSR (1990)
- Commission under the president of the USSR on questions of withdrawing Soviet troops from Germany (1991)
- Commission under the Government of the Russian Federation (May-November 1992), within whose scope in August 1992 the currently existing apparatus of representatives of Goskomimushchestvo [State Committee for Management of State Property] was established.
- Federal service under the president of the Russian Federation, placed under the jurisdiction of Vice President Aleksandr Rutskoy (established on 1 March 1993 and dissolved on 28 June 1993)

[End boxed item]

The government decree "On State Property of the Russian Federation in the FRG," which was put into official distribution yesterday, assigns to Goskomimushchestvo the right to manage all Russian real estate in Germany, except that which is under the operational jurisdiction of "Russian ministry establishments abroad." The latest attempt to regulate the relations of Russian departments associated with property abroad was undertaken when what is most valuable for Russia in Germany—the legacy of the Western Group of Troops—is already being turned over to German authorities; moreover, free of charge.

There is nothing new in the text of the decree. Its central point is this: Decisions on the sale, assignment as security, placement in authorized capital, or removal of Russian property in the FRG are made by the Government of Russia on the representation of the State Committee for Management of State Property, and in no other way.

The former Union property in Germany will be transferred yet again to the management of Russia's State Committee for Management of State Property, although Ukraine continues to demand a foreign share that is due it. While the Ukrainian reasoning may not be clear, the fact that the decree does not mention the Western Group of Troops requires comment. There is a presidential edict—"On Procedure for Selling Military Property Being Released" of 30 November 1992—according to which military property is sold by the Ministry of Defense, while the functions of control are reserved for the State Committee for Management of State Property. On the other hand, on 16 December 1992, Boris Yeltsin and FRG Chancellor Helmut Kohl declared jointly that real estate of the Western Group of Troops will be transferred to the German authorities without compensation. Thus, the train has already left (it is worth mentioning that the not unknown Dmitriy Yakubovskiy in his time valued Union military property in Germany at the lower level of DM12 billion.)

What does the civilian Russian property held in abeyance in Germany represent? The "apparatus of representatives" of the State Committee for Management of State Property in Germany, the weak descendant of the State Economic Mission in Germany under the president of the USSR, is seeking an answer to this question. The genealogical tree of the "apparatus of representatives" is branching out, reflecting the abrupt changes regarding military property, and has naturally taken on a political coloration. Some answers have been found. A typical example—the former House of Soviet Science and Culture has been transferred by presidential edict to the Federal Information Center. As is known, on 6 May 1992, Mikhail Poltoranin tried on behalf of the Russian Government to transfer the building free of charge to a German company with limited responsibility; however, the transaction was declared invalid. As a result, the State Committee for Management of State Property will have to bear responsibility for the possible commercialization of Russian real estate that remains in Germany.

U.S. Firm To Renovate Novosibirsk Airport

944Q0306B Moscow KOMMERSANT-DAILY
in Russian 6 Apr 94 p 10

[Article by Nadezhda Yakhotina: "Ernst & Young Company Estimated Airport at \$1.2 Billion"]

[Text]

[Begin boxed item]

Expenditures on the First Stage of Reconstruction of Novosibirsk Airport

The total cost of the project is \$1.2 billion. The first stage of reconstruction envisions the building of cargo terminals (volume of investments—\$70 million); Development of the infrastructure of cargo terminals—\$11 million, construction of the air terminal building—\$45 million, and the organization of the auxiliary complex

and technical services (customs, militia, loading platform, service system, hotels, etc.)—\$14 million.

[End boxed item]

A business plan for the reconstruction of the Novosibirsk International airport developed by a consortium of U.S. consulting firms headed by the Ernst & Young Company was approved on 4 April. Thus one of the largest projects in the reconstruction of Russian airports, in terms of the volume of capital investment, acquired a technical and financial basis.

KOMMERSANT-DAILY has already repeatedly talked about the situation concerning the planned reconstruction of Novosibirsk airport (see 24 and 27 January issues). At the end of March, during the visit to the United States of a delegation of the joint-stock company Transsibavia, studies were approved of a business plan for the reconstruction of the airport by a group of American firms headed by the Ernst & Young Company, and on the evening of 4 April its final variant as well.

The total cost of reconstruction is estimated by specialists of Ernst & Young at \$1.2 billion. Inasmuch as the total volume of reconstruction work may continue until the year 2030, its implementation is envisioned in stages. Reconstruction in the first stage is planned to use up about \$60-80 million (see boxed item). An important condition for the implementation of the project, as is noted in the business plan, is the conduct of structural changes and the resubordination of the Novosibirsk airport Tolmachevo from federal to oblast property, which will make it possible to activate work on reconstruction and control the expenditure of resources.

As was reported by Aleksandr Fokin, deputy director of foreign relations of the joint-stock company Transsibavia, the consortium of firms headed by the consulting firm Ernst & Young Company conducted a study of the business plan starting in April 1993. During its preparation, consultations were conducted with 16 aviation companies of the world, the U.S. Treasury, the IMF, the European Bank for Reconstruction and Development, the International Civil Aviation Organization, and also airports at Anchorage and Fairbanks.

So reputable a list of consultants indicates the significance that is being given abroad to the appearance on the Transsiberian main line of a large air terminal complex that meets world standards. The fact is that practically all the large aviation companies in the world (for example, Lufthansa, JAL, and a number of others) use the Transsiberian route for flights to Japan and Alaska, which makes it possible to save almost 30 percent flight time and fuel in comparison with flights across the Polar Circle. Naturally the aviation companies (including Aeroflot) are interested in the development of the infrastructure of one of the world's most important air routes. This gives reason to suppose that general contractors and sources of financing will be established in the near future.

Results of Kozyrev-Af Ugglas Meeting in Pskov Detailed

944Q0300A Moscow NEZAVISIMAYA GAZETA
in Russian 8 Apr 94 p 1

[Article by Natalya Pachegina: "Andrey Kozyrev and Margaretha af Ugglas Meet in Pskov; Negotiations Conducted in the Context of Russia's Regional Policy"]

[Text]

Diplomacy

The "private setting" of the visit to Pskov of Swedish Minister of Foreign Affairs Margaretha af Ugglas, where Russian Minister of Foreign Affairs [MFA] Andrey Kozyrev conducted negotiations yesterday within the framework of an official trip, was disturbed by a "newspaper phantom" that appeared the day before in the Russian media. A Xerox copy of a "directive of the president of the Russian Federation," which was provided by an official of the MFA and which came to Smolensk Square from Latvia and became a startling incident (including if not most of all for the Russian MFA), directed, "for the purposes of guaranteeing the security of the Russian Federation and the states of the Commonwealth" (the Latvian Republic also was on the list of well-wishers), the dispositioning of military bases on the territory of the CIS states and Latvia. This directive from the office of the president became the subject of Andrey Kozyrev's morning meeting with Russian Minister of Defense Pavel Grachev, the result of which, it must be assumed, enabled the diplomat to make the comment: "The appearance of this directive is very reminiscent of version number 1..." After evaluating the "newspaper phantom" as an attempt to verify the degree of mutual understanding between the president and the government, and between the Russian Ministry of Defense and the MFA, Kozyrev expressed the view that similar startling events are not able to influence the style of work of the Russian Foreign Policy Department. The negotiations with Swedish Minister of Foreign Affairs Margaretha af Ugglas, he said, are occurring within the context of the regional policy of Russia, just like the creation, with Russia's well-known efforts, of the Baltic Sea States Council and the "Barents-Council." Given the participation in the negotiations of Vladislav Tumanov, the head of administration of Pskov Oblast, the Russian side proposes as a subject of negotiations the construction of housing and the creation of new jobs for settlers from the Baltic region and other regions of the former USSR, and also housing of the contingent of troops that is being pulled out. According to the ecology program, it is proposed to build a series of purification facilities and extensive processing of silt residue within the scope of the ecological program for the protection of the Baltic Sea basin. Projects in the sphere of the development of the foreign economic potential of the Russian province pertain to the participation of Swedish entrepreneurs in the establishment of a joint-stock company, Pskov International Trade Center. The

development of transport communications within the scope of the program Via Baltika with respect to Pskov Oblast supposes the establishment of regular cargo, passenger, and tourist runs, with the joint use of the Pskov international airport and international highways that are being planned on the territory of the oblast. Considering the data of the export fund, according to which about 10 percent of Russian exports transited through bordering Pskov Oblast, it is proposed to establish a network of freight terminals on the border with Belarus, Latvia, and Estonia. The program also proposes to expand and intensify contacts in the spheres of health services, culture, and tourism. The investments of the Swedish business world in the economy of the oblast should involve extensive processing of timber and peat beds, the processing of agricultural products, the establishment of enterprises and highly technological products in the area of machine building, electronics, and light industry. Individual paragraphs discuss close regional cooperation in the sphere of joint operations in the processing of flax.

At the conclusion of the negotiations, in a news conference arranged for domestic and foreign journalists, Russian Minister of Foreign Affairs Andrey Kozyrev said that the meeting of old friends (that is the way he introduced his relations with the Swedish colleague) was taking place within the context of Russia's regional policy. The idea was expressed in the reply of Swedish Minister of Foreign Affairs Margaretha af Ugglas that Sweden, expecting to become a member of the European Union on 1 January of next year, hopes that it will be able through its authority to make a contribution to the cause of strengthening stability in the Baltic region. "It is necessary to build a new Europe together with Russia," the head of the foreign policy department of Sweden is convinced. Concerning the territorial claims of Estonia and the hypothetically possible role in them of Sweden, Ugglas said that Sweden recognized Estonia within the framework of the existing borders. But border questions, in her opinion, can be resolved within the framework of practical contacts.

Finnish Plan To Improve Helsinki-St Petersburg Link

94P20634A Helsinki HUFVUDSTADSBLADET
in Swedish 30 Mar 94 p 9

[Article by Goran Ek: "South Coast To Become Important Trade Area"]

[Text] The coastal belt along the eastern Gulf of Finland will, according to a just-released development program, be developed into a strong economic center, which at the same time will be a hub for traffic especially with the St. Petersburg area.

The development plan covers some 10 subprojects concerning traffic, environment, and trade with areas to the east. Sponsoring the program and the coastal project regarding the Gulf of Finland are such private groups as the regional associations of the Kymi River Valley,

eastern Uusimaa, and Uusimaa, as well as the individual municipalities along the coast.

Among other things, it is proposed that Europe Highway Route 18 [E18] be improved, and that the train between Helsinki and St. Petersburg be able to transit the stretch in two and a half hours. The sponsoring groups also want to improve know-how on trade with Russia and Russian business culture, as well as to increase teaching of the Russian language at all levels of education.

"The coastal project has been under way for two years, and the purpose has been to introduce cooperation in order to develop business, improve the environment and promote regional culture in the area." This was said by Tapio Valinoro, director of a landscape company and chairman of the Kymi River Valley Development Association.

A basket with 60 concrete development projects are included in the development project for the Gulf of Finland. From these 60, the involved parties—the state, municipalities, businesses, and private associations—can select which individual projects concern them, and can in conjunction with others move them forward. Those elements considered of overall strategic importance are: improvement of land communications—E18 and the rail route; developing environmental technology; improvement of knowledge regarding Russia; betterment of safety; and establishing planning cooperation over the border.

Transit Traffic for 6-7 Billion Markkas

The better the communications to St. Petersburg, the more attractive will be the coastal region to those businesses wanting to establish themselves in the Russian market, reason the drafters.

The coastal zone in southeast Finland is the most rapid and secure transportation route from the United States (via Rotterdam and Amsterdam) and West Europe to Russia and the other countries of the former Soviet Union.

"This now involves a market of perhaps 2 billion markkas per year, but if the entire transportation chain is taken into account, this is estimated to be at least from 6-7 billion markkas," says Valinoro.

E18 should be [re]built as a four-lane highway or expressway. The most difficult bottlenecks are found on the Russian side of the border and in Vyborg. The railroads are going to be even more a key factor in the Russian transportation system, and rail will therefore be the only realistic alternative when large volumes of cargo are to be transported for long distances.

Time Works in Favor of Helibannan [new Helsinki-St. Petersburg Rail Route]

"Considering all this, it is clear that time is working in favor of a future Helibannan," Valinoro claims.

The present rail route to Russia should be improved so that the Pendolino train can transit the Helsinki-St. Petersburg stretch in four and a half hours.

With this it would be possible to make one-day round trips between the two cities, either for purposes of business or shopping. In the long term a new, more direct rail line to the east is going to prove necessary, and then the travel time can be reduced—in the best case—to two and a half hours.

Development of environmental technology relates to the key industrial areas along the Gulf of Finland's coastal belt.

The adjacent areas within the CIS and the Baltic countries are to constitute the most important markets for Finnish environment companies. An action program must now be drafted which will make it possible for Finnish companies to participate in environment projects requiring international financing arrangements in the former Soviet area. Such a program should cover needs in Russia and, at the same time, involve international financing and Finnish know-how.

In comparison with many other areas, especially Tallinn and Riga, which are in competition for the role of entry ports to Russia and the East, the Finnish areas along the Gulf of Finland have an important weak point: our knowledge of the Russian language, and our familiarity with Russian mores and practices and the Russian culture are poor.

Head Start of 5-10 Years

At the same time, we have a time jump of perhaps 10-15 years in comparison to Finland.

This should be exploited as soon as possible, according to Valinoro.

"The opportunities for studying Russian should be expanded at all educational levels. To awaken a greater interest in Russian new teaching materials should be developed which reflect the new, dynamic economy and culture now going on, instead of the bygone Soviet era and its linguistic usages.

"It is also important to activate cooperation in education and research, and to create new programs for practicum exchanges, as well as exchange programs in culture and sports."

The border between Finland and Russia is perhaps the world's deepest living-standards gap. This creates tension and strong undercurrents. To master them is a difficult job which will likewise yield profit if handled well. The situation in Russia is instable and its future prospects partly concealed in darkness. This creates insecurity and risks, but also opportunities for progress for capable business people. A careful but, at the same time, flexible border regime is under these circumstances

a necessary precondition for crossborder economic cooperation, as well as cooperation in general, to run safely and smoothly.

Policy on Arms Exports to Baltics Seen Easing

94P20665A Helsinki SUOMEN KUVALEHTI
in Finnish 31 Mar 94 p 11

[Article by Olli Ainola: "Baltic Policy: Arms Sale Restrictions Being Rescinded"]

[Text] Finland has changed the principles of its arms sale policy. Prevention of exports has been converted to promotion of exports. As its domestic sales are drying up, the defense industry is attempting to assure its survival through export sales.

A promising market is seen in the former Warsaw Pact countries, especially the Baltics, after Cocom [Coordinating Committee for Multilateral Export Controls], the export control organization, makes changes in its structure this week. Finland is following other Western countries, including the United States, that have decided to rescind the arms export ban to those countries, even for combat aircraft.

The enthusiasm of Finnish arms plants for exporting to the Baltic countries has been held in check above all by the Paasikivi Doctrine [policy formulated by post-World War II President J.K. Paasikivi according to which Finland should refrain from actions displeasing to Moscow]. The foreign policy leadership has not wanted to provide export licenses for actual lethal weapons and equipment as long as there are Russian military units in the Baltic countries.

A couple of years ago, the Sako arms plant was denied a license to export 5,000 assault rifles to any of the three Baltic countries. According to officials, the application was purely a demonstration of intent, because the document lacked end-user information, among other things. Sako said it had provided end-user information, and that the export sale was prevented solely for political reasons.

If Russian forces withdraw from the Baltic countries and the situation becomes stable, authorities promise to free the export of arms and combat equipment. Even after these conditions are met, however, licenses are going to be carefully considered, especially if a deal were to involve a political commitment to provide spare parts or resupply in event of crisis or war.

The first preview of the new policy may soon be seen. Finns have under discussion deals for final assembly work, selling components and raw materials to ammunition plants in Estonia and Latvia. The licenses officials regard these deals favorably.

Russo-Chinese Talks on Border Guard Cooperation Reported

944Q0307A Moscow NEZAVISIMAYA GAZETA
in Russian 9 Apr 94 p 3

[Article by Natalya Pachegina under the heading "Contacts": "The Border as a Region of Cooperation: That Is What the Border Guards of Russia and China Want"]

[Text] Local Russian contacts between border guard districts and military and border guard structures in the People's Republic of China regarding protection of the state border, underway for several years already, now require the involvement of central ministries. Resolution of the political and professional matters that have arisen in the process of establishing a system for protection of the state border was the subject of an initial visit by a delegation of senior members of the General Staff (the agency which, together with the PRC Ministry of Public Security, deals with border protection matters) to Moscow, where talks are underway with the Russian Federal Border Guard Service.

At a joint press conference held at the conclusion of the first stage of the Russo-Chinese talks, Col. Gen. Andrey Nikolayev, commander-in-chief of border guards and head of the Russian Federation Federal Border Guard Service, and Maj. Gen. Kui Fulin, assistant chief of the General Staff, Chinese People's Liberation Army, were unanimous in the opinion that "the borders between the great countries of Russia and China must become a region of peace and cooperation." In order to make that wish a reality it will be necessary to sign bilateral agreements at the level of border guard agencies and governmental structures in both states (primarily at issue is protection of the eastern sector of the Russian border and the Kirghiz and Tajik sectors of the CIS border). The Russian side, according to Col. Gen. Nikolayev, is prepared to present its packet of proposals during a visit to China by Russian head of government Chernomyrdin. The Chinese delegation, elaborately noting the "great amount of time required for documents to move through official agencies in China" is not at all inclined to link its efforts with that high-level guest's visit to China.

The main focus of concern for border guard administrations in both states should be the establishment of a "civilized" border guard regime along the so-called first and second lines, i.e. at the border crossing level, with the number of crossing points commensurate to the region's economic needs. Consideration should also be given to professional contacts between Russian and Chinese border guard structures in the Russian Federation's Pacific, Far Eastern and Transbaikal border guard districts and China's corresponding border guard provinces with regard to interdiction of violations of the state border, for the purpose of combatting organized crime in both countries.

In the opinion of Andrey Nikolayev the negotiations on reduction of arms and armed forces and on confidence-building measures and demarcation work along the Chinese-Russian border that are being conducted between diplomatic ministries in the Russian Federation and the PRC attest to the normal relations between our countries, and Russia's border guards are prepared to reinforce and expand those diplomatic successes. It did not seem that their Chinese colleagues had any objection to doing so, either.

Factors Affecting Future Influence in Asia-Pacific Region Eyed

944Q0307B Moscow NEZAVISIMAYA GAZETA
in Russian 15 Apr 94 p 4

[Article by Viktor Gavrilov under the heading "Analysis": "Security in the Asia-Pacific Region: Conflicts Between Countries in the Region Could Change the Balance of Power"]

[Text] The potential sources of conflict in the Asia-Pacific region at the present time are more closely connected with economic, territorial and interethnic disputes than with sociopolitical development and the struggle against the "Red menace," the slogan under which various opposing groups of states in the Asia-Pacific region long existed in the postwar period.

The new realities of the modern world have resulted in the emergence of new opportunities for the states of the Asia-Pacific region relative to Russia in view of: its role in possible elimination of tension on the Korean Peninsula; negotiations between Moscow and Tokyo over the future of four islands in the Kuril archipelago that would have been unimaginable literally just a few years ago; the clear interest by South Korea, Japan and, to some extent, China in relations with Siberia and the Russian Far East, which they believe with their investments could become a new source of economic growth in Asia; and reduction of Russia's armed forces and military presence in the Asia-Pacific region.

Analysis indicates that on the whole Russia's role as the subject and object of policy in the region has shifted from a leading role to one on a par with Australia, Taiwan or South Korea. This was the inevitable result, of the one hand, of the disintegration of the USSR and, on the other, of policy by the Russian MFA that is not adequate to the newly emerging conditions of the international situation. In addition, the states in the region remain somewhat cautious with regard to Russia's political future.

Much greater concern currently exists due to the fact that one now finds a paradoxical situation in the Asia-Pacific region as a result of lessening East-West confrontation: disarmament by the great powers is prompting efforts by the smaller states to arm, negatively affecting security in the region.

What is the reason for this paradoxical situation, in which not a single state in the region has taken advantage of the peace dividend to reduce its defense expenditures? One must define several of the most significant factors. The first is economic conflicts within the Asia-Pacific region. The unequal economic development of states in the region contributes to a certain degree to tensions based on envy—North Korea, Cambodia and the Philippines have found themselves left out of economic prosperity.

Distrust and hostility in relations between the United States and Japan have tremendous destructive potential, due to American dissatisfaction over the closed nature of the Japanese market, the Japanese economic invasion of the United States, and tax evasion or failure to pay taxes by Japanese companies operating in the United States. It has been asserted that over the long term a possible emotional gap could tear apart the Washington-Tokyo alliance and replace it with keen competition which would undoubtedly impact other Asian countries and the region's security as well.

There is a fairly great likelihood that economic and consequently political disputes will arise between the states that comprise the "Asian economic realm," the North American free trade zone (NAFTA) and the European Union. Even now East Asia accounts for 62 percent of world automotive production, 82 percent of telecommunications manufacturing and 81 percent of computer equipment production. According to a projection by the Japanese Center for Economic Research made in February 1992, by the year 2010 the "Asian economic realm," extending from eastern Russia to Myanmar and including both Australia and New Zealand, is expected to be producing as many goods and services as North and South America combined. Asia's overall GNP will be \$11.8 trillion, in comparison with \$11.2 trillion for North and South America and \$11.4 trillion for Western Europe. In 2010 prices Japan alone will have a GNP of \$16 trillion, or 84 percent of the U.S. GNP. In this situation it is very likely that there will be sharp competition, particularly between East Asia and NAFTA, and that could significantly affect stability in the region.

Another group of disputes stem from the struggle for political leadership in Asia and the various concomitant manifestations of various peoples' national consciousness.

We are beginning to see the prospect of a Greater China being formed through a merger of the PRC's economically developed coastal provinces with the economies of Taiwan, Hong Kong and Macao. Eventually Greater China could become the main force capable of opposing the Japanese economic battering ram.

In South Korea there are some politicians and business people who dream of a "Greater Korea." They believe that after reunification Korea could become one of the most important economic zones in the world, with the

one million ethnic Koreans in China and the approximately 300,000 in Russia added to Korea's population of 70 million. They also include the surrounding Chinese and Russian population, coming up with the possibility of creating a demographic base of 200 million people and, consequently, a new center for the Asian economy.

The question is how fast Korean unification can proceed. Considering Pyongyang's nuclear ambitions, it is possible that the agreement reached by North and South Korea in December 1991 regarding nuclear-free status for the Korean Peninsula, economic exchanges, rapprochement and unification might not be implemented. On the other hand, politicians literally break out in a cold sweat at the thought of a unified Korea with nuclear weapons. Furthermore, much remains unclear about how North Korea will behave after Kim Il-Song is gone.

A certain degree of unclarity exists concerning China's political outlook in the post-Deng Xiaoping era. Specifically, analysts are considering the possibility of political instability and disorder in China, as a result of which a flood of refugees could pour into the Southeast Asian countries. However, there are clear signals that although there are fairly serious disagreements and a certain degree of ideological instability within the Chinese Communist Party—China's ruling party—Chinese communists are united against the threat of disorder, anarchy and spontaneous disintegration of their country.

However, the Chinese leadership understands the needs for accelerated reforms in the economy, as successes in that area would undoubtedly be a factor in the stability of Chinese society. Therefore one may assume with a fair degree of certainty that though there might be some retrenchment after Deng Xiaoping due to a stronger position for the conservative political wing of the Chinese leadership, it is likely that this would be followed by stronger reformist tendencies.

One significant factor is the current state and outlook for development of Russo-Chinese relations. Here no struggle for leadership is at issue. Geopolitical interests—mutual efforts to ensure the security of borders, a need to ensure favorable external conditions so that reforms can be implemented, Beijing's interest in Russian economy and military capability, reduction of the two sides' armed forces and armaments, stronger confidence-building measures, Russia's interest in developing economic and military relations with China, and, finally, a certain mutual attraction in the search for a counterweight against the West's political offensive—all prompt Russia and China to seek means of rapprochement.

One significant obstacle to the development of relations could be a possible upsurge in Chinese nationalism and the pro-Western slant which, in the opinion of the Chinese, exists in Russia's policy. A significant negative role could also be played by the personality factor when members of the "Cultural Revolution" generation come to power in China.

However, both sides are interested in developing economic cooperation. That interest is reinforced by mutual pragmatism, as a result of which certain differences on various issues would not likely be allowed to stand in the way.

Much remains unclear regarding Sino-American relations. China, in its effort to assume an appropriate place in the new world political structure, has unofficially accepted a mission as leader of the developing countries. In the opinion of Chinese political scientists, the disintegration of the USSR is a *fait accompli* and the USSR will never be reborn. Meanwhile, according to them, the United States, which remains the sole superpower in the world, is losing influence. China is outraged by the fact that since the collapse of the USSR the United States feels that it has a right to intervene in the internal affairs of other countries and impose its own values. China believes that the new world order should be based on fair political and economic principles in order to prevent a widening of the gap between a wealthy North and an impoverished South.

Nevertheless, China definitely does not intend to get into an open confrontation with the United States. It remains interested in developing relations with the leading Western countries because it needs new technology and investment. In the opinion of Chinese political scientists, the fact that in the future global disputes may develop along West-West lines (between the United States, Western Europe and Japan) could give Beijing greater room for political and diplomatic maneuvering.

It is quite possible that as disputes between the various sides become more numerous their relations will be typified by ever-increasing harshness. It is also possible that the United States, in its usual forceful manner, might attempt to force China to behave in a way that is advantageous to the United States. How successful the Americans are in doing so would largely depend on Russia's position.

Legislation on Mineral Resources Reviewed

944Q0287A Moscow PRAVO I EKONOMIKA
in Russian No 5, 29 Mar 94 p 12

[Article by Lyudmila Zaslavskaya, senior scientific associate, Institute of Legislation and Comparative Legal Sciences, under the RF [Russian Federation] Government, candidate of legal sciences, RF honored jurist, under rubric "Legislation on Mineral Resources": "Survey of Laws on Mineral Resources of the Republics That Make Up the Russian Federation"]

[Text] In accordance with the delimitation of the subjects of jurisdiction and powers between the federal agencies of state authority of the Russian Federation and the agencies of authority in the republics that make up the Russian Federation, legislation on mineral resources is included in the joint jurisdiction of the federal agencies of state authority of the Russian Federation and the

agencies of state authority in the republics that make up the Russian the Russian Federation.

With regard to these questions the federal agencies of state authority of the Russian Federation publish the Principles of Legislation, in conformity with which the agencies of authority of the republics that make up the Russian Federation carry out their own legal regulation, including the enacting of laws and other legal acts.

On 21 February 1992 Russian Federation Law "Mineral Resources" was signed. In Article 1 of this law it is indicated that the law is in effect on the entire territory of the Russian Federation. The legislative and normative acts of the republics that make up the Russian Federation must not contradict this law.

An analysis was made of seven laws on the mineral resources of the republics that make up the Russian Federation, one code, and two decrees: Komi SSR Law "Mineral Resources," 12 February 1992; Udmurt Republic Law on Mineral Resources, 13 February 1992; North Ossetian Republic Law, "Use of Mineral Resources in North Ossetian SSR," 27 October 1992; Republic of Buryatia Law, "Mineral Resources and the Principles of Use of Mineral Resources," 28 October 1992; Republic of Sakha (Yakutia) Law, "Mineral Resources," 22 December 1992; Republic of Tatarstan Law, "Mineral Resources," 18 February 1993; Republic of Bashkortostan Code on Mineral Resources, 28 October 1992; Mordvinian SSR Supreme Council decree, 9 April 1993, "Procedure for Application of RSFSR Law, Entitled 'Mineral Resources,' on the Territory of Mordvinian SSR"; and decree of the Government of the Republic of Tuva, 28 January 1993, No. 41, "Measures to Regulate the Relations in Use of the Mineral Resources of the Republic of Tuva."

Only two laws were enacted several days prior to the signing of the "Mineral Resources" Law; the others were enacted later. Therefore they must not contradict the "Mineral Resources" Law. At the same time, study has indicated that the republics that make up the Russian Federation are not taking into consideration the fact that the territory of the Russian Federation includes within itself territories of subjects of the Federation and those republics view themselves as independent sovereign states that are not subordinate to the Federation's central authority.

Certain republics that make up the Russian Federation, in laws on mineral resources, do not always mention the Russian Federation's "Mineral Resources" Law as the basis for promulgating their own act on mineral resources.

For example, in the Republic of Buryatia Law, "Mineral Resources and the Principles of Use of Mineral Resources" (Article 1), it is stipulated that the Republic of Buryatia legislation on mineral resources is based on the corresponding principles enunciated in the Republic of Buryatia Constitution and the Federative Treaty, in

accordance with which the mineral resources of Buryatia are the property of the peoples living on its territory.

In the Republic of Sakha (Yakutia) Law (Article 1) it is stipulated that the Republic of Sakha (Yakutia) legislation on mineral resources is based on the corresponding principles enunciated in the Republic of Sakha (Yakutia) Constitution and the Russian Federation (Russian) Constitution. Similar formulations exist in the Republic of Bashkortostan Code on Mineral Resources and the laws of certain other republics.

The Republic of Tuva Government has limited in time the application of the RF Law "Mineral Resources." In a decree dated 28 January 1993, entitled "Measures to Regulate the Relations in the Use of the Mineral Resources of the Republic of Tuva," it is indicated that, pending the enactment of the Republic of Tuva Law, "Mineral Resources," state regulation of the relations in the use of mineral resources on the territory of the Republic of Tuva is carried out on the basis of RF Law "Mineral Resources"; the statute governing the granting of licenses for the use of mineral resources, which was approved by RF Supreme Soviet decree, dated 15 July 1992, No. 3314-1; and the Statute governing the rules and conditions for collecting payments for the right to use the mineral resources, which was approved by RF Government decree dated 289 October 1992, No. 828.

The Udmurt Republic, in its Law "Mineral Resources" (Article 4), has stated that the Russian Federation's legislation on mineral resources is in effect on the territory of the Udmurt Republic so far as it does not contradict the Udmurt Republic Law on mineral resources. According to Article 7 of that law, questions that have not been included in the competency of the Udmurt Republic and the local soviets of people's deputies are under the jurisdiction of the Russian Federation with regard to the regulation of mining relations.

Despite the fact that Russian Federation Law "Mineral Resources" failed to mention the question of the ownership of the mineral resources, and also failed to divide the state's mineral resources fund into any component parts, the republics that make up the Russian Federation have expressed their own point of view with regard to these questions.

In Komi SSR (Article 2) the mineral resources on the territory of Komi SSR are considered to be the republic property of Komi SSR; and in Udmurt Republic (Article) the mineral resources are the state property of the Udmurt Republic, and the use of the republic's mineral resources can be carried out for the benefit of the peoples living on its territory.

In North Ossetian SSR (Article 2), Republic of Buryatia (Article 2), Republic of Bashkortostan (Article 2), Republic of Sakha (Yakutia) (Article 2), and Republic of Karelia (Article 2), stipulation is made for republic mineral resources funds.

In accordance with Russian Federation Supreme Soviet decree, dated 27 December 1991, entitled "Delimitation of State Property in the Russian Federation Into Federal Property, State Property of the Republics That Make Up the Russian Federation, Krays, Oblasts, Autonomous Oblast Autonomous Okrugs, the Cities of Moscow and St. Petersburg, and Municipal Property," the resources of the continental shelf pertain exclusively to federal property. Despite this fact, the Republic of Sakha (Yakutia), in Law "Mineral Resources," stated that the republic fund is made up of the parts of the mineral resources that are being used and that are not being used, as well as the continental shelf of the territory of the Republic of Sakha (Yakutia). The disposition of the republic mineral resources fund in the interests of the peoples in the Republic is carried out by the Government of the Republic of Sakha (Yakutia).

In Russian Federation Law "Mineral Resources" (Article 2) it is stipulated that the disposition of the state mineral resources fund is carried out in the interests of the peoples living on the corresponding territories, and all the peoples of the Russian Federation. Meanwhile the Udmurt Republic (Article 2) and North Ossetian SSR (Article 2), the Republic of Sakha (Yakutia) (Article 2), and the Republic of Karelia (Article 2) stipulated the disposition of the republic mineral resources fund only for the benefit of the peoples residing on the territory.

In a number of acts the competency of the Russian Federation in the sphere of regulating the relations in the use of mineral resources is not mentioned at all, or is defined in abbreviated form. According to the Law of the North Ossetian SSR (Article 2), sectors can be allocated from the republic mineral resources fund for the purpose of guaranteeing state security and the protection of the environment. The borders of those sectors and the procedure for using the mineral resources on them are established by the enacting of joint decisions by the agencies of authority of the Russian Federation and the North Ossetian SSR.

This proviso does not guarantee the subject of the jurisdiction of the federal agencies of state authority of the Russian Federation, which already include the federal energy systems, nuclear power engineering, splitting materials, federal transportation, railroads, and activities in space.

All of these areas require mineral resources.

According to the Republic of Bashkortostan Code on Mineral Resources (Article 1), individual powers with regard to promulgating acts of legislation concerning the mineral resources of the Republic of Bashkortostan can be transferred to the Russian Federation in accordance with the Treaty on the principles of international relations between the Russian Federation and the Republic of Bashkortostan. Legislative acts of the Russian Federation concerning mineral resources with regard to questions transferred by the Republic of Bashkortostan to the Russian Federation are mandatory on the territory of the

Republic of Bashkortostan, and in Article 3 of this Code it is stated that the Republic of Bashkortostan can transfer individual powers with regard to regulating the use of mineral resources both to the Russian Federation, and to the republic's rayons and cities.

Thus, the interrelations between the agencies for administering the Republic of Bashkortostan state mineral resources fund and the agency for administering the Russian Federation state mineral resources fund in questions of the functioning of the Russia-wide methodological and normative base for the use of mineral resources and the single base for geological information about mineral resources, as well as in other questions of use of mineral resources, are defined by bilateral agreements between them.

According to Komi SSR Law "Mineral Resources" (Article 5, paragraph 2), the interests of the Russian Federation in the area of the efficient placement and use of the mineral fuel-and-energy base are reinforced by treaty and other agreements with the Russian Federation. The Republic of Karelia, in its Law "Mineral Resources," states in detail the competency of the Russian Federation in the sphere of regulating the use of mineral resources.

In our opinion, it would be desirable to prepare, instead of the Russian Federation Law "Mineral Resources," Principles of the Russian Federation Legislation on Mineral Resources, to define the owner of the mineral resources, to give a more clear-cut formulation of the concept of the mineral resources fund, and, to the extent possible, to reduce the competency of the Russian Federation in the sphere of the relations for regulating the use of mineral resources. Then there will be the possibility of enacting laws on the mineral resources of the republics that make up the Russian Federation in a new wording.

The Komi SSR Law "Mineral Resources" provides a definition of the concept of mineral resources. It is the surface of the land and the space under it, excluding the agricultural stratum, with rocks, minerals, and containers. This definition omits the bottom of bodies of water, which is not the surface of the earth, and also the lower limit of the mineral resources to depths that are accessible for geological study and assimilation.

The Udmurt Republic also provides a definition of the concept of mineral resources. According to Article 1 of Law "Mineral Resources," the mineral resources of Udmurt Republic include that part of the natural environment within the confines of the republic's territory that lies below the soil stratum and the bottom of bodies of water to depths that are accessible for assimilation. This definition omits depths that are accessible for study.

The Republic of Udmurtia provides a definition of the fund, calling it not a mineral resources fund, but the Udmurt Republic state mining fund. According to Article 1 of its law, the mineral formations contained in

the mineral resources, as well as other objects there that represent interest for study and industrial assimilation, constitute the state mining fund of the Udmurt Republic.

It is not completely clear what is meant by objects representing interest for study and industrial assimilation. One wonders whether these objects include a subway or an underground airfield.

According to Republic of Tatarstan Law "Mineral Resources" (Article 1), the mineral resources of the Republic of Tatarstan constitute that part of its natural environment that is situated under the soil and vegetation stratum, and under the bottom of lakes, rivers, and reservoirs, with the minerals contained in them, from their outcroppings to the daylight surface to depths that are accessible for geological study and assimilation. In our opinion, the definition of the concept of mineral resources is most precise in the Republic of Tatarstan law.

The same Tatarstan law contains Article 3, concerning mining relations. According to that article: 1) relations arising during the possession, disposition, and use of the mineral resources constitute mining relations; 2) the owner of the mineral resources, and the user of the mineral resources, are the subjects of mining relations; 3) the agencies of state authority and state administration of the Republic of Tatarstan, as well as the local administration, cannot be the user of the mineral resources; 4) the sector of the mineral resources (mining claim) that was granted to the user in the procedure established by this law is the object of the mining relations; 5) the license and the mining-claim document which are issued in conformity with this law are acts that result in the arising of mining relations; 6) the license is a document that certifies the right to use the mineral resources within the confines of granted sector within a period of time established by the license, with the observance of the terms stipulated by it; 7) the mining-claim document is a document that grants the user of the mineral resources the right to carry out his activities within the confines of the mining claim in conformity with the purposes indicated in the license; 8) state administration of the use of mineral resources is carried out by the Government of Tatarstan or through agencies empowered for that purpose.

The overwhelming content of the article is nonnormative. It consists of definitions of concepts (of mining relations; of subjects and objects of mining relations; of acts that result in mining relations; of the license; and of the mining-claim document). In several laws this is usually stated at the beginning of the law, under the title "Terms Used in the Law."

As for the substantive content of the article, in our view the concept of mining relations does not encompass the protection of the mineral resources. This is an independent element of mining relations, and it must be pointed out.

Something that is not completely precise is the absolute ban preventing agencies of the state authority and state administration of the Republic of Tatarstan, as well as the local administration, from using the mineral resources. It would scarcely be desirable to deprive them even of the right to carry out the mining of generally widespread minerals, which right is granted to owners of sectors of land in accordance with Article 5 of the law.

An article that is of definite interest is Article 4 of Republic of Tatarstan Law "Mineral Resources," which is devoted to objects of the right of ownership. According to this article, the property of the Republic of Tatarstan includes: 1) the mineral resources and the deposits of minerals that are located in them; 2) deposits situated on the territory of Tatarstan and contiguous territories in that part in which they are located in the Republic of Tatarstan; 3) deposits of minerals and sectors of mineral resources that were acquired by the republic within the confines of other territorial-administrative and national-state formations of the CIS and abroad; 4) information concerning the geological structure and mineral and raw-materials potential of the mineral resources that is received at the expense of funds from the state budget; 5) tailings of removed, surrounding, and side-recovery rocks, and storage facilities for other waste products, which form technologically exploitable resources of mineral raw materials that accumulate during the extraction, dressing, and processing of natural minerals.

From the text of the article on objects of the right of ownership it is evident that the republic is attempting to define as precisely as possible the limits of everything valuable that is its property. Unfortunately, it has not revealed in the law the methods by which the republic acquires deposits of minerals within the confines of other territorial-administrative and national-state formations of the CIS and abroad.

In the preamble to the Republic of Buryatia Law "Mineral Resources and the Principles of Use of Mineral Resources," there is a statute concerning the use of mineral resources in the drainage area of Lake Baykal, which is regulated by conditions governing special use of the natural environment, which are aimed at the unconditional preservation of Lake Baykal as national property of the Russian Federation.

The section of the law that is devoted to the efficient use and protection of the mineral resources contains Article 32, "Special Rules For Use of the Mineral Resources in the Drainage Area of Lake Baykal." According to this article, the use of the mineral resources in the water-protection zone of Lake Baykal is allowed only with the application and observance of technological schemes that preclude any runoffs or emissions that are capable of harming Lake Baykal or its ecosystem. The use of the mineral resources in the shore zone of Lake Baykal, with the exception of the study of the mineral resources without the carrying out of mining operations, the extraction of generally widespread minerals, and the construction of underground and water-intake structures

with a depth of up to 10 meters for their own needs by the owners and leasers of sectors of land, is prohibited.

In Article 19 of the Bashkortostan Code on Mineral Resources it is emphasized that users of the mineral

resources to whom they are granted for purposes that are not linked with the abstraction of minerals, in the event that minerals are detected or appear on the sector that has been allocated to those users, must immediately report that fact to the agency that issued the license.

KAZAKHSTAN

Functions of New Parliament Anticipated

944K1105A Almaty ABV in Russian 19 Apr 94 p 3

[Article by Viktor Verk: "Interests Will Decide Everything: Parliament in Cross-Section"]

[Text] *Only the indolent, perhaps, have not made forecasts concerning today's event—the commencement of a professional parliament. The future of an "appendage" of the executive and pocket body or, on the contrary, a "nest" of the opposition, which for precisely this reason will shortly be "ravaged," has been predicted for the new corps of deputies. A grain of sense could, if so desired, be found in each of the adduced viewpoints. Nonetheless, we will venture to make one further forecast: The new parliament will be by no means a monolithic fifth column of the ruling state bureaucracy. It may with substantial reason be called an arena of the confrontation of group interests. And the country's future will, perhaps, depend on whoever gains the upper hand.*

The past 70-plus years were marked by the consistent realization of the interests of a group of high-ranking party bureaucrats within a strict ideological framework. A vigilant eye was kept on the permanency of this framework by the powerful and well-oiled administrative-command machine—the CPSU. With the disintegration of the Soviet Empire new "interest groups" began to appear—primarily the national bureaucracy. Although today it is the interests of this group which are being realized the most fully, it aspires to enshrine this process and make it irreversible. It is this that explains to a considerable extent the attempts, first, to shape a single national ideology of "market reforms in the name of the prosperity of Kazakhstan" (we recall if only the birth of the SNEK [Union of People's Unity of Kazakhstan] in February 1993) and, second, to legitimize its power (the self-dissolution of the former parliament—a "result of the totalitarian past"—and the elections of a new one). Analyzing the events of the end of the last and the start of the present year, it may be affirmed that the sponsors of the process of the "renewal" of the legislature have not at this stage achieved their goals.

In this context the new parliament should be regarded as a kind of patchwork canvas, each "patch" of which is endeavoring to pull over to its side the whole "blanket." After all that has been said, it remains to analyze each fragment of this canvas individually.

It is impossible in a single newspaper article, of course, to take account of all the factors influencing the correlation of forces in the corps of deputies (national, religious, clan, and so forth). The observations offered here are merely an attempt to distinguish the main political and economic interests which will, possibly, determine the strategic course of the new parliament.

Corps of Directors of State-Owned Enterprises

It has an objective interest in economic upturn, economic and political integration in the CIS, in securing guarantees of preservation of its social status in the event of a cancellation of the contract with the state, and in a share of the profit in the enterprises it manages and also in the stability and efficiency of legislative instruments. It is not interested in the proposed plan of privatization, and the majority are opponents of the new economic structures. For a number of reasons it frequently acts as a brake on the structural reorganization of the economy. In its endeavors it frequently relies on the work force of the enterprises.

The upper part of the corps could be temporarily neutralized by the transfer of part of the block of shares in the privatization process. But there will be no long-term neutralization inasmuch as the economic recession rules out tangible dividends on the stock and is reducing considerably the value of the block itself. The transition to a contract system of the hire of enterprise managers, the venture remuneration of their labor, and a guarantee of the acquisition of part of the block of shares of the enterprise upon fulfillment of the terms of the contract would make it possible to realize the interests of the said group sufficiently fully. The anticipated strength of the parliamentary lobby is approximately 25 persons.

It is the corps of directors (more precisely, the group lobbying for its interests and consisting of deputies who have entered parliament from large industrial structures and also from the scientific and technological milieu) which could in principle be an ally of the "irreconcilable" parliamentary opposition composed chiefly of deputies of the former parliament and novices elected from the opposition parties and movements. Both have an interest in the realization of an "intelligent" anticrisis program and, most important, in a reorientation of the present privatization strategy. But their ultimate goals are fundamentally different. The "irreconcilables" are preoccupied with an improvement in the political and socioeconomic atmosphere in the country and, ultimately, with an upturn in society's living standard. The corps of directors has an interest primarily in the political and economic defeat of the "holding company barons," who have seized the initiative in the control of the economy.

Nonetheless, it is the efforts of the directors' lobby in parliament that could create a legislative base limiting to a considerable extent the appetites of the national-state bureaucracy and placing the executive within the strict framework of the law.

Administration Chiefs

A process of federalization of the state is actively under way in Kazakhstan, in an unlawful form, it is true. There are more than sufficient prerequisites for this process. The inevitable flow of command authority from the ministries to the administration chiefs has led to a redistribution of real power between the higher (central)

and local bureaucracies in favor of the latter. It is its interests, which are today being realized unlawfully, that will be partially legalized by the new parliament in a brutal struggle with the representatives of the central bureaucracy.

"Political relaxation" of the strict dependence on the president, decentralization of the state budget, a diminution in the role of the cabinet of ministers and other central structures in the management of state property, and a reduction in the powers of the local representative authorities, control powers primarily, are in the interests of this group. Realization of these aspirations would enable the chiefs to acquire political hegemony with all the ensuing consequences in the sense of privatization of property. This group has a sizable lobby in the Supreme Council, on the official slate included. The chiefs are not interested in the establishment of a regime based on the rule of law but would support with pleasure the demands for strict supervision of the activity of the cabinet. They are objective supporters of the concept of a strong regional policy. As of today this is one of the most influential groupings, whose financial possibilities and degree of freedom are very substantial and growing constantly. The anticipated size of the parliamentary lobby is approximately 40 persons. Considering what has been said above, it may be assumed that the deputies from the ranks of the former chiefs and the figures close to them will play in the new parliament the part of Trojan Horse. People who in terms of their former status were duty bound to be loyal to the president will embark with particular zeal on attacking the government (which under our conditions means an indirect blow at the head of state). At the same time, on the other hand, the deputy-chiefs will be the principal obstacle to the "irreconcilables" in the latter's aspiration to consolidate the corps of deputies on all-Kazakhstan interests. It is by the efforts of the chiefs' lobby that parliament could begin a gradual drift down the stream of regionalism (which, incidentally, is feared in earnest at the upper levels of power).

State Bureaucracy

Not only part of top government officialdom but also the majority of bank "generals" and the top leadership of the holding companies, concerns, and so forth may be attributed to this group. They are represented in parliament by part of the official slate and also the party factions of SNEK and the People's Congress. The continued centralization of the executive up to and including its "absolutization" is in the interests of this group. They will aspire to the maximum limitation of parliament's control functions, remembering the lessons of the Control Chamber of the former Supreme Council. It is most probable that this group will enjoy the tacit support of the top executive structures, including the top persons of the state. Nor is it ruled out that it is they that will try to obtain (and will obtain) a majority in the key parliamentary committees (primarily those in charge of the economy and finances), having supplanted the representatives of other groups. In this case hopes of intelligent

opposition to the government's present economic policy are not destined to be realized. The anticipated strength of the parliamentary lobby is from 30 to 50 persons.

Middle Class

The group with substantial capital, but lacking a sure outlet to power, is the one the worst represented in parliament. For this reason the middle class has in practice been sidelined from the redistribution of property and, consequently, will lose more than it gains as a result of official policy. It is represented in parliament by deputies from the unions, the middle and petty commercial structures, and certain social and political formations. The establishment of a truly democratic, law-based regime, a strengthening of market institutions, and the assurance of tax and other privileges for the producer and, ultimately, a rise in the living standard of as large a part of society as possible are in their interests. Proceeding from this, we may forecast a direction of their parliamentary activity aimed at limitation of the omnipotence of the "executants," fair privatization, and a broadening of the political and social opportunities of all members of society. Aside from all else, it is the middle class that is capable, given support on the part of other social groups, of really effecting a structural reorganization of the economy consonant with the aims of the "irreconcilables" and the corps of directors. Consequently, the lobbyists of this group could count on the support in parliament of all the above-mentioned groups, other than the state bureaucracy and the administration chiefs. In addition, the middle class has in the new corps of deputies potentially outstanding leaders. If this leadership acquires real outlines, the forecasts concerning the constructive-opposition character of the new parliament would seem reasonably justified. We have thus logically approached a problem of extreme importance for this corps of deputies—the candidacy of the speaker.

Speaker

In the context of present-day political realities there is no doubt that the person who occupies this seat will find himself in a difficult situation. If he fully supports the official course (primarily in the sphere of privatization), conflicts with the interests of the majority of parliamentary groups and, thus, the emergence of a parliamentary crisis "from within" are inevitable. Many observers are inclined to use this to explain the rumors that have arisen as of late concerning the refusal of the "big house" to take a chance on Kuanish Sultanov, whose candidacy was even recently seen as being a sure thing, virtually. The former vice premier himself, it would seem, is sincerely convinced of the soundness of the "reform" policy that is being pursued. Speaking on the eve of the elections in a northern oblast, he spoke about the reasons for the crisis as being objective and independent of the government and the president, from which it followed that struggle against the crisis was a secondary preoccupation. "The main thing today is privatization," Mr. Sultanov declared. And although this logic coincides in

principle with the precepts of the top persons of the state, they have to understand that the aspiration of the leader of the SNEK to be "holier than the pope" would hardly meet with understanding on the part of the present deputies. In addition, account needs to be taken of the manifestly negative image of the SNEK, which was merely reinforced in the period of the election campaign.

Olzhas Suleymenov could be named in this category also, but he could be hampered by problems of a linguistic nature: the speaker must, according to the constitution, know the official language. In addition, the speaker must have a grasp of the economic situation, which the leader of the Kazakhstan People's Congress clearly lacks. But if Mr. Suleymenov decides, for all that, to let his name go forward, he could "draw off" onto himself the votes of some of the deputies, exerting a considerable influence on the final result.

Some people are inclined to speak seriously about the candidacy of Abish Kekilbayev, former state counselor, who acquired certain political capital on the Aral problem. But this figure, many informed people believe, enjoys far more support in his native west than here, in the south. And the positions of the southerners in this parliament are quite strong.

Particular meaning has come to be invested as of late in the "foothills" of the political Olympus in the mentions of Umirbek Dzholdasbekov—former dean of the Kazakhstan State University and president of the Engineering Academy. To his credit are, first, successful activity, in the view of some people, as dean and, second, a correct (from today's standpoints) line of behavior in December 1986. At the same time, on the other hand, his role in the successful "self-dissolution" of the former Supreme Council is well known (to be persuaded of this it is sufficient to take a look at the stenographic accounts of the final sittings of the 11th Session). Mr. Dzholdasbekov was not only a member of the so-called 11-man "action committee" but was also an active inspiration behind and conductor of all its undertakings—together with Zamanbek Kurkadilov and his ilk—former corps of deputy colleagues. And at the sitting on 10 December he even delivered the report on the draft law on delegation of the powers of the Supreme Council to the president. It is notable that prior to this the academician had spoken at the sessions quite infrequently, and on matters of procedure, more often than not. Old-timers recall just two exceptions: the impassioned monologues of "Uncle Dzhoh" during discussion of the coat of arms (1992) and the government awards (1993). In the first instance, what is more, the member of parliament favored the central component of the attribute of statehood with a comparison with an intimate part of a lady's attire....

According to the latest information, Mr. Dzholdasbekov recently assembled the Alma-Ata [Almaty] deputies and persuaded them to support the draft law "Legislative Assembly of the Republic of Kazakhstan" containing a provision concerning a bicameral parliament. Although not long before this, at a meeting of the working group

preparing the agenda, it was declared that this bill would not be put to the session. It is perfectly probable, however, that it will, for all that, surface at a plenary sitting in the very near future. In any event, a high-ranking government official communicated to your author the perfectly realistic prospect of such a development of events. In his opinion, there is behind this the endeavor of backstage "scriptwriters" of the parliamentary performance to "decapitate" the corps of deputies according to the principle: two heads, hence, none. And to thereby exclude the possibility of the arrival on the captain's bridge of a powerful politician of an opposition persuasion. Gaziz Aldamzharov, cochairman of the Socialist Party, for example, who is known for his uncompromising position in the office of chairman of the Control Chamber of the former Supreme Council. Despite all the apparent ease of this maneuver, it turns on the need for an amendment to be made to the constitution, and the consent of two-thirds of the corps of deputies is necessary for its revision. Obtaining the latter would seem highly problematical inasmuch as the majority of deputies would easily read behind the prospect of their division into two chambers the artless scenario of a counterpoise of the parts of the corps of deputies to one another, which would signify a blocking of the legislative work of parliament and its virtual loss of control functions. Observers do not rule out the possibility of the speaker's chair being taken by a person around whom a majority of the opposition groupings examined above would consolidate. In this case very interesting events await us. It is even possible that the president would be forced to "surrender" to the deputies the present cabinet. And then, instead of a parliamentary crisis, we would be witnesses to a government crisis, whose consequences would be truly unpredictable.

KYRGYZSTAN

Concern Raised Over Increased KGB Powers

944K1085A Moscow NOVAYA YEZHEDNEVNAYA
GAZETA in Russian 30 Mar 94 p 2

[Article by K. Kabayev: "This Is Not a Conservatory for You. Everyone Is Monitored Here: Chekists in Kyrgyzia Have Started an Apparatus War"]

[Text] Bishkek—"Hello, is this the hospital? No? Then excuse me..."

What does this mean? If you are not a statesman, not an important businessman, or, finally, not a "hard-boiled" journalist, the error can be written off to lousy telephone communications. But if you fall into the aforementioned category of people, then you should think twice.

A special cable stretches from each of the 16 operating telephone stations in Bishkek to the department with three, now four, initials—GKNB [State Committee for National Security]. The KGB has its own people on each

shift at the 16 stations. With some degree of exaggeration, the Ministry of Communications can be safely called a daughter of the KGB firm.

A note with a request to monitor one or another subscriber (addressed to the chairman of the KGB) is submitted by the manager of one of the two leading directorates of the office. After an appropriate endorsement, the paper is returned to the executor. Further—it is a matter of equipment. A ring can be heard at the necessary ATC [automated telephone station]:

"Masha (Aigul, Sveta, Larisa...), hook us up with this number."

Soon a small light shows up on a panel in a special KGB room—"the subscriber is on the line!" In order to determine whether the "object" is in place in the apartment of the person who is "under surveillance," the buzzer rings: "Hello, is this the hospital (hotel, bathhouse, kindergarten, etc.)?" The trustful master of the house replies indignantly that, no, this, he says, is an apartment... As a rule, it is here that the recorder is turned on with each incoming and outgoing telephone call. By the way, the click in the telephone receiver that is described in detective stories cannot be heard. The GB's [state security] apparatus is well balanced. Sometimes conversations are listened to directly. But in both cases in the apartment (or the office), a noticeable deterioration in sound quality occurs. Approval to monitor a telephone is granted for a period of not more than one month; however, this does not mean that the approval cannot be extended. According to the testimony of reliable persons, up to 20 subscribers are monitored in Bishkek each day.

However, the situation in an apartment (or office) can also be monitored without lifting the telephone receiver. In this case, the telephone apparatus itself acts as a microphone. Therefore, knowledgeable people either disconnect the apparatus from the system or turn on a source of additional sound (two is better, in different corners of the room)—a radio, a television set. The author of these lines frequently had occasion to be witness to this during conversations with highly placed Kyrgyz officials.

Notes containing approval for monitoring are supposed to be kept in a special archive. However, if a note is "lost" for any reason, the loss may not even be noticed. Thus, it has become known that in December of 1980, after the murder of Chairman of the Council of Ministers Sultan Ibraimov, several notes of approval and deciphering of telephone conversations of suspected persons disappeared.

With the victory of democracy in Kyrgyzia [Kyrgyzstan], discussions about telephone monitoring have not diminished. Complaints and suspicions are coming both from governmental figures and also from journalists and politicians.

There are a lot of examples. When leaving for home Felix Kulov, former vice president of the state, sealed the door of his official office and, while talking with someone, disconnected the telephone apparatus from the system. Topchubek Turgunaliyev, head of the Erk Party, suspecting the "office" of monitoring his telephone, officially appealed to the head of the KGB-GKNB.

Alas, the essence of the department did not change with the change of signboard. Just as in the epoch of totalitarianism, the department continues to engage in political investigation, and it actively intervenes in the affairs of the state and the personal life of its citizens.

After the downfall of communism in the Baltics and Eastern Europe, the state security organs were the masters of the political Olympus for three or four years. With their assist, parliamentarians divided each other into "clean" and "dirty." The chiefs of committees removed objectionable figures from the political arena without particular problems. Undoubtedly, given all its antiespionage (read anti-state security) orientation, this prolonged action was managed and coordinated by departments that "were being criticized." It is sufficient to mention that after the accusations of "cooperation with the KGB," Kazimiera Prunskiene was forced to resign as prime minister of Lithuania. But who else could have arranged the compromise of the prime minister except the KGB? No one! The axiom says: "Divulgence of agent information is a matter for the hands of the department that put such agent network together." The intelligence services of Czechoslovakia were able to isolate Aleksandr Dubcek, who recently died in an automobile accident under strange circumstances. The state security people of Poland were not satisfied with Lech Walesa, who there and then was accused of cooperation with the organs. Moreover, rather convincing documents were leaked to the press.

Kyrgyzia, apparently, is also no exception..

In the opinion of a number of former employees of the Kyrgyz KGB, the firm in one way or another controls up to half of the state employees and members of parliament. Some of them were and are secret agents, others were seen in the organs at one time carrying out delicate instructions of the KGB, and still others were driven at one time "to do the devil's work" by writing a denunciation against a neighbor, and the paper providently settled in the "office." Today (as they believe), the publication of three to five names that are well known in the republic (with a specific demonstration of their agent activity) is capable of causing a profound governmental and parliamentary crisis.

Getting ahead of the story, it should be noted that with this, apparently, these state security people have captured parliamentarians who are scared to death. At the last session of the Kyrgyz parliament the people's representatives unanimously passed a law concerning the organs of state security.

According to this law, the Chekists acquired the right of unimpeded entry into dwellings "and other premises belonging to citizens" (a reason will always be found!), and the procurator has to be notified of this only after 24 hours. Now state security people can quite informally intervene in the activity of commercial structures, "demand and receive from them necessary information, check the presence of property with registered and current data, and receive information in banks on operations, accounts, and deposits." Where is the guarantee that the commercial information will not be turned over (sold) to competitors afterwards? Where is the guarantee that the Chekists (and today they are graduates of Kyrgyz higher educational institutions who have merely gone through a Bishkek system of personnel selection) will not ruin the firms and organizations they are checking up on? After all, the law does not say a word about the measure of responsibility of the employees of the GKNB in the event of causing moral, physical, or economic damage.

The state security people have retained control over governmental special communications, they have retained for themselves the investigative isolation cells that just a year ago were filled with then "foreign money speculators," though as it turns out today—with legal financial brokers. Now the Chekists, suspecting someone (and, as is known, anyone and everyone can be suspected), can quite informally check the contents of your pockets and go through your car and personal things. Moreover, without the approval of a procurator.

Incidentally, Kyrgyz Chekists now enjoy the use of all types of public transport (except taxis) free of charge.

And more: The services of state security informers will be paid from the republic budget.

Thus, in the most democratic Central Asian republic, the parliamentarians not only did not restrict the activity of its monster, but, on the contrary, placed it above all society, having legalized the penetration of all spheres of Kyrgyz state, public, and economic life.

Only the president has the last word. After all, whether the law on state security organs passed by the deputies will be confirmed depends only on him. But the president is keeping silent. For the time being.

TURKMENISTAN

Railroad Chief on Upcoming CIS Rail Meeting

944E0696A Moscow GUDOK in Russian 6 Apr 94 p 1

[Interview with Kh. Khalykov, chief of the Turkmen State Railroad, by V. Veys, GUDOK correspondent: "The Site of the Meeting Is Ashkhabad"; Ashkhabad, date not given]

[Text] As we know, the next, 11th meeting of the Council for Railroad Transport of the Commonwealth Member-States is to be held in Ashkhabad. In connection with this,

Kh. Khalykov, chief of the Turkmen State Railroad, answers our correspondent's questions.

[Veys] What caused this decision and what is the state of readiness for the coming meeting?

[Khalykov] At the previous meeting in Voronezh, our railroad's proposal was accepted. It was supported by the government of Turkmenistan. We are preparing to receive and house the delegations, and wish to create for our guests the optimal conditions for work and leisure. The necessary accommodations have already been selected, and by the beginning of May everything will be ready to receive the delegations from the Commonwealth countries.

[Veys] What are the main problems for the participants in the meeting to discuss?

[Khalykov] We already have some preliminary outlines of the coming agenda, and they are the logical outcome of the decisions made at previous meetings. Most important, probably, will be the problem of applying a new procedure for making out transport documents and exacting carriage charges to transport freight in interstate and international service.

Today each administration, each road must wait for someone, in order for them in turn to pay their debts. But how to do this in a civilized manner is the problem. The well-being of more than just the roads—of the commonwealth and of the countries themselves to whom these roads belong—depends on the correct solution to it. In Voronezh, incidentally, it was decided to convert to making settlements in Swiss Francs and, obviously, the first results of the clearing operations will provide a great deal of practical material for those participating in the meeting.

The experts on the Council consider it quite important to include in the coming agenda for the meeting, questions of official-claim work, the application of unified norms for transporting freight in interstate service and the introduction of new locking-sealing devices.

[Veys] What is the position of the Turkmen government on setting up relations with the railroads of the Commonwealth?

[Khalykov] All the Council's decisions are interpreted positively. Right now Turkmenistan is actively developing its transport system. In fact, until the declaration of independence, our country had only spur railroad lines in the south and west. It is fully realistic and expedient to extend them in this direction, which will make it possible for Turkmenistan to have rail links with Iran and Turkey, and across them—to other countries. Today our railroad is a member of the International Union of Railroads. The country's government has been of great service in this.

[Veys] Is the Turkmen state railroad under any special conditions, as compared with other Commonwealth roads?

[Khalykov] We have quite a few problems. It is particularly important today to develop a reliable base for rolling stock repair. We are seeking the possibility of manufacturing the basic elements of track installation and communication and signalization systems that are new in principle. We are also seeking to electrify the mainlines and acquire new diesel locomotives and railcars. This has been achieved to quite an extent through setting up warm relations with the railroads of the CIS countries, and with Russian and Ukrainian enterprises.

Railroad specialists from European and Asian countries come to us more and more often.

As the previous meetings of the Council showed, concern for our railroad is inseparable from the problems of other Commonwealth mainlines. It would appear that, for their more successful solution on a collective basis, it is important to improve the Council's work in the future, as well. Until the meeting in Ashkhabad!

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